The Early Development of the Chesapeake and Ohio Canal Project.

SERIES XVII NOS. 9-10-11

JOHNS HOPKINS UNIVERSITY STUDIES
IN
HISTORICAL AND POLITICAL SCIENCE
HERBERT B. ADAMS, Editor

History is past Politics and Politics are present History.—*Freeman*

The Early Development of the Chesapeake and Ohio Canal Project.

BY
GEORGE WASHINGTON WARD, Ph.D.
Professor of History in Western Maryland College.

THE JOHNS HOPKINS PRESS, BALTIMORE
PUBLISHED MONTHLY
SEPTEMBER-OCTOBER-NOVEMBER, 1899

COPYRIGHT, 1899, BY N. MURRAY.

WILLIAMS & WILKINS COMPANY
BALTIMORE

CONTENTS.

INTRODUCTION 7

I. Early Development of the Trade Route by Way of the Potomac 9

II. Gallatin's Report on the Subject of Internal Improvement 19

III. Efforts to Induce the Federal Government to Undertake a System of Internal Improvement 31

IV. Independent Movement for a Canal 39

V. Charter Legislation 59

VI. The Federal Government Assumes Control 67

VII. Survey and Estimate for the Chesapeake and Ohio Canal by the United States Board of Internal Improvement . 73

VIII. The Convention of 1826 and the Report of Messrs. Geddes and Roberts 81

IX. The Chesapeake and Ohio Canal as a National Enterprise 85

X. Canal Against Railroad 95

XI. In the Courts 101

XII. The Struggle for Existence 107

Conclusion 111

The Early Development of the Chesapeake and Ohio Canal Project.

INTRODUCTION.

The Chesapeake and Ohio Canal, as it exists to-day, lies on the north shore of the Potomac River, forming a navigable water-way between Georgetown, near the head of tide-water in the Potomac, and Cumberland, at the eastern base of the Alleghany Mountains, where Will's Creek joins the Potomac. The canal is one hundred and eighty-six miles in length, sixty feet wide at the surface (with some exceptions) and six feet deep. There are two very expensive aqueducts, besides many culverts. The water supply is drawn from the Potomac by means of six dams with their feeders, while the difference in level between Georgetown and Cumberland is overcome by eighty-one locks.

Ground was broken for the work by John Quincy Adams, then President of the United States, on the Fourth of July, 1828, the same day on which ground was broken for the Baltimore and Ohio Railroad, by the venerable Charles Carroll, of Carrollton. Thus auspiciously begun under the patronage of the United States, the Chesapeake and Ohio Canal soon came into the care of the state of Maryland, and was not completed to Cumberland until October, 1850, more than twenty-two years after the work was commenced. Such, in a word, is the origin of the Chesapeake and Ohio Canal.

"The Chesapeake and Ohio Canal project" was something of a widely different character. It is to the history of the project that this monograph is chiefly devoted. So

voluminous are the materials that it has been a difficult matter to select and arrange only those more important facts which have a direct bearing upon the development of the "project." The constant aim, however, has been to do this in such a manner as to show:

I. The slow process of evolution through which the idea passed; and,

II. The relation of the United States Government to that development.

Incidentally, light has been thrown upon the cause of the failure of the canal, upon the historical relation of the Baltimore and Ohio Railroad to the canal, and other points not without their interest. In proportion as the purpose of the paper has been accomplished it will appear that the Chesapeake and Ohio Canal project was launched upon the tidal wave of the "American System," dashed to pieces by the sudden recession of that wave, and left stranded on the southern shore of Maryland. Deserted by the Federal Government, when no more than twenty miles of the canal had been opened to navigation, Maryland furnished the millions with which the work was finally completed to Cumberland.

CHAPTER I.

EARLY DEVELOPMENT OF THE TRADE ROUTE BY WAY OF THE POTOMAC.

The Chesapeake and Ohio Canal project had its origin in the abiding conviction that the shortest route from the seaboard to the Ohio Valley; that, namely, by way of the Potomac and Monongahela Rivers, should and would become the great thoroughfare of trade and communication between the regions east and west of the Alleghany Mountains. The importance, amounting almost to necessity, of establishing and maintaining such a route was very early perceived. The Ohio Company was organized in 1748,[1] primarily to promote the settlement of the Ohio Valley,[2] and, incidentally, to trade with the Indians.[3] So early as 1749 the boats of the Ohio Company had ascended the Potomac from the head of the Great Falls;[4] and in 1750 a storehouse was built at the point where Will's Creek falls into the north branch of the Potomac, on the site of the present city of Cumberland.[5] Trade flourished from the start, and in 1752, the company having determined to make Will's Creek a permanent trading post, a second storehouse was built. So rapid was the growth of business at this point that a town was laid out with streets, lanes and squares subdivided into lots. This town, which lived and had its being only on the surveyor's plats, was named Charlottesburg, in honor of the

---

[1] Winsor: "Narrative and Critical History of America," V, 570.

[2] Lowdermilk: "History of Cumberland," 26-33.

[3] *Ibid.*, 31.

[4] House Report No. 90, 19th Congress, 2d Session, 2.

[5] Lowdermilk's "Cumberland," 29. Fort Cumberland erected on this site, 1754-5, 89.

Princess Charlotte Sophia, afterwards Queen of George III. Beyond Charlottesburg there was nothing worthy the name of road.[1] The English had but lately (1744) acquired a doubtful title to any territory west of the Alleghanies;[2] and when Christopher Gist, the surveyor for the Ohio Company, left Will's Creek, in 1749, to explore the Ohio Valley, he found only an Indian trail leading thence to the West.[3] Over this same route Washington made a temporary road[4] to accommodate the little army of two hundred Virginians which he led against the French in the summer of 1754.[5] Later, when, in 1755, Major-General Braddock, with his two regiments of regulars, came to the assistance of the Virginians, the route by which he should proceed from his headquarters at Alexandria was decided upon economic rather than upon military principles, a circumstance which had more to do with the failure of the expedition than did the stubbornness of Braddock. It was not the blindness of Braddock, but too great eagerness on the part of Virginia to improve the Potomac route that is responsible for the overthrow of an ably conducted expedition.[6]

It was decided by a council of the governors of the colonies held by invitation of General Braddock at Alexandria, Virginia, April 14, 1755, that Braddock should lead the expedition against Fort Duquesne. This expedition, which was to proceed from Alexandria, would have choice of two routes. Braddock might lead his men through Pennsylvania, or through Maryland by way of the Potomac River and Fort Cumberland. The route by way of Pennsylvania offered the advantages of a settled country with roads already made. That by way of the Potomac led through a rugged, mountainous region with scarcely a settlement beyond a point eighty miles east of Fort Cumberland, while west of Fort Cumberland there was not even a road worthy of the name. If, then, the Potomac route should be chosen

[1] Lowdermilk's "Cumberland," 30, 31. [2] *Ibid.*, 31, 32. [3] *Ibid*, 28.
[4] Winsor: "The Mississippi Basin," 279.
[5] Winsor: "Narrative and Critical History," V, 493–4.
[6] Parkman: "Montcalm and Wolfe," I, 196, 214.

it would be necessary to make a military road for a distance of more than one hundred miles through the Alleghany Mountains before the expedition could reach Fort Duquesne.

This single difficulty, had there been no others, should have settled the question decisively in favor of the Pennsylvania route, which offered comparatively easy roads with ample provisions. But the very consideration which, from a military point of view condemned the Potomac route, was precisely that which, from the Ohio Company's point of view, made it so important to adopt that route; the fact, namely, that Fort Cumberland and Gist's settlement on the Ohio were separated by more than one hundred miles of rugged, roadless mountain wilderness. Because of the profit which the consequent improvement of the Potomac route would bring to the company, one of its stockholders, John Hanbury, of Pennsylvania, is said to have "cajoled the Duke of Newcastle into ordering" the Potomac route. Governor Dinwiddie, of Virginia, was also interested in the Ohio Company and for that, as well as other reasons, used his influence for the Potomac route.[1]

How difficult and tedious the making of this road proved to be; how ample time was allowed the French to concentrate their forces at Fort Duquesne and to become fully acquainted with all the plans and movements of Braddock, so as to make sure of his defeat, needs no rehearsal here. It is worth while, however, to remark that already, in 1755, the trade route by way of the Potomac had become a question of sufficient importance to influence the decision of national and military affairs. That trade route must be held responsible for the most serious disaster suffered by the victor in a struggle for the possession of a continent.

The apparent compensation for the enormous obstacles to be met beyond Fort Cumberland was the bare possibility

---

[1] Winsor: "Narrative and Critical History of America," V, 495. "The Mississippi Basin," 356–60.

that supplies might be forwarded by boat as far as the headwaters of the Potomac. This possibility was promptly canvassed by Governor Sharpe, of Maryland, and Sir John St. Clair, who, in January, 1755, made a careful examination for the purpose of ascertaining the navigability of the Potomac between Fort Cumberland and Alexandria. They reported that the river channel would be opened to navigation throughout by the removal of the rocks which form the Great Falls. St. Clair thought this might be done at least sufficiently to allow the passage of flat-bottom boats; but the experiment was not made.[1]

During the French and Indian War the operations of the Ohio Company were practically suspended. At the close of the war the company itself was suspended, or rather merged into the Grand Company.[2] The Grand Company came to nothing, and no further attempts were made to develop the Potomac route till the War for Independence had been fought and won.[3]

The tendency of commercial and economic considerations to take precedence, and to determine the more distinctly political affairs of a country has rarely been more apparent than in the history of the Potomac trade route. Economic considerations led to the choice of that route for Braddock's expedition, and the road was actually opened to the Ohio by his forces. Economic questions again came to the front immediately upon the close of the Revolutionary War, and efforts were at once made to improve the commerce of the new country.[4]

In the South, Washington strove to rouse Virginia and Maryland to the importance of opening the Potomac for navigation as far as Cumberland. From that point west he thought that the two states should jointly maintain a road.[5] In the line of these suggestions a joint committee

---

[1] Lowdermilk: "History of Cumberland," 103.

[2] *Ibid.*, 33.

[3] House Reports, 19th Congress, 1st Session, Report No. 228, 4.

[4] "Narrative and Critical History of America," VII, 219, 220.

[5] Pickell: "A New Chapter in the Life of Washington," 46.

was appointed by Maryland and Virginia to consider plans for improving the navigation of the Potomac. The committee, with Washington as its presiding officer, met in December, 1784. The result of that meeting was the Potomac Company.

Incorporated by Virginia and confirmed by Maryland, the company was organized at Alexandria, Va., on the 17th of May, 1785, with George Washington as president. The first and chief, if not the only, work then expected of the company was to clear the channel of the Potomac for navigation as far as Cumberland. The extension of the route from that point to the Ohio by means of a road would open easy and rapid communication between the rapidly filling West and the seaboard, thus establishing a bond of economic interest as well as one of friendship between these two sections of the infant republic.[1]

From this it is plain that Washington foresaw at least so long ago as 1784 what has long been to us matter of history, namely, that the commercial center to which a people habitually look must, under ordinary economic conditions, become the centre of power which controls political action and to a great extent determines political allegiance. To understand correctly this point—one of the earliest, strongest and most persistently used of all the arguments urged for the establishment and maintenance of the Potomac route, first for river navigation and later as a canal—it is necessary to recall the fact that, in 1784, the now familiar method of creating new states had not yet been discovered. How to deal with this new empire so rapidly rising in the West was, therefore, a rather puzzling question. The French held the Mississippi, and it was reasonably feared that if the trade of the country west of the Alleghanies should be allowed to float down the Ohio and Mississippi to the French, there would be little ground for expecting the inhabitants of that region to remain politically united with

[1] House Reports, 19th Congress, 1st Session, 9.

a government which could do nothing for them but tax them. Thus, while the Potomac Company was commercial only, there were certainly very sound and strong reasons politically for the maintenance of such a corporation.

In order to secure the best results it was necessary for the states of Virginia and Maryland to arrive at some definite understanding about the division of privileges and responsibilities in the navigation about to be opened. For this purpose a meeting of the most influential citizens of both states assembled at Alexandria, in Virginia, March 21, 1785. Later, at the invitation of Washington the meeting adjourned to Mount Vernon, March 28, 1785.[1] The minutes of this meeting, if any were made, do not appear to have survived. If it could be known more definitely what happened in that Mount Vernon retreat around the hospitable board of Washington, we should be able to see more clearly how the history of the Potomac trade route stands related to the origin of the Federal Constitution.[2]

The Potomac Company, which had received a charter

---

[1] Laws of Maryland, 1785, chap. 1, Preamble.

[2] Out of the discussions relative to opening the Potomac River to navigation and the principles which should govern the use of that navigation by Maryland and Virginia, there grew a wider discussion of the condition of trade in the colonies generally. In the absence of anything like a national policy in regard to commerce there existed such obstacles to trade between the colonies themselves, to say nothing of foreign trade, that Madison left the Mount Vernon Conference determined to secure a more representative meeting. As a result of Madison's earnest representations the General Assembly of Virginia, at its next session, issued an invitation to the colonies to send delegates to a meeting to be held at Annapolis, Maryland, to take into consideration the condition of trade in the colonies. Thus the Annapolis meeting of 1786 sprang directly out of the Potomac trade route agitation. Out of the Annapolis meeting sprang the Convention which met in Philadelphia, 1787, to revise the Articles of Confederation. The fact that this Convention is known only as the Constitutional Convention should not obscure its origin in the effort of Southern statesmen to develop the Potomac trade route.

from Virginia in October, 1784,[1] confirmed by Maryland early in 1785,[2] "for opening and extending the navigation of the Potomac River," did not prosper. The most serious obstacles to the passage of boats down the river were the Little Falls, five miles above Georgetown, and especially the Great Falls, about seven miles higher up. At these points the water is so rapid and the rocks in the channel so formidable that the only means of passage that promised success was that by canal and locks. But besides overcoming these obstacles of a really serious character, the Potomac Company accomplished more than has generally been supposed towards opening a passable river navigation.

Descending the Potomac the first obstacle is encountered at House's Falls, five miles above Harper's Ferry. Here a canal was made fifty yards in length with a total fall of three feet. Around Shenandoah Falls, immediately above Harper's Ferry, a canal was dug on the left bank of the river one mile long with a total fall of fifteen feet. At Seneca Falls a third canal was constructed three-quarters of a mile in length with a total fall of seventeen feet. To that point no locks had been found necessary. On examining the Great Falls it was found that the river at that point makes a descent of seventy-six feet nine inches in the short space of twelve hundred yards. Besides the difference in elevation the shores for some distance below the falls are perpendicular cliffs towering thirty feet above the river, making the return of a canal to the channel both difficult and expensive. And yet by a triumph of engineering remarkable for that age the passage was effected.

The canal, on the Virginia shore, is still traceable throughout its entire length of about three-quarters of a mile. The locks, though constructed more than a hundred years ago, might be used to-day but for the forest trees which have sprung up, in one instance at least, directly

[1] Henning's "Statutes of Virginia."

[2] Maxey's "Laws of Maryland," I, 488–500. "Laws of Maryland," 1784, chap. xxxiii.

through the walls. The last two locks, descending through which boats were passed out again into the river, are chambered out of the solid rock with no interval but the partition-gate serving both locks. Each has a lift of over eighteen feet, nearly three times the average lift of a canal lock.

The fifth and last canal, passing the Little Falls on the Maryland shore, is something over two miles in length. The total fall is over thirty-seven feet, overcome by the use of four locks. Much work also was done throughout the river channel, deepening it and removing rocks.[1]

Nevertheless, the Potomac Company was only moderately successful under the immediate presidency of Washington. With his death, involving the loss of his influence and wise counsels, prosperity may be said to have departed. Indeed, soon after organization it became evident that the company could not meet the requirements of the charter as to the time within which the river was to be opened to navigation, and from time to time extensions were granted by the General Assemblies of Maryland and Virginia.[2] So things went on till 1819. The terms of the charter had not yet been complied with, and the company, after an existence of thirty-five years and the expenditure of over $700,000, including stock, debts and tolls, with the exception of one small dividend of $30,000 paid in 1811, applied to the Board of Public Works of Virginia for relief.[3]

Soon after the creation of the Board of Public Works by an act of the General Assembly of Virginia, in 1816, the Board suggested in a report to the legislature, that a connection might be effected between the waters of the Potomac and the Ohio by navigable canal.[4] This is prob-

---

[1] See for detailed minute of the works of the Potomac Company. "Reports," etc., 17th Congress, 1st Session, XI, Report No. 111. 14–17.

[2] See "Acts, etc., Relating to the Chesapeake and Ohio Canal," Washington, Gales & Seaton, 1828, 113–116, 139, 140.

[3] For further details see chap iv. of this monograph.

[4] House Reports, 19th Congress, 2d Session, Report No. 90, 2.

ably the earliest official suggestion of a continuous canal from tide-water in the Potomac to the head-waters of the Ohio. But the proposal was allowed to fall to the ground, and when, after several years, the subject was again agitated, the nationalizing tendencies in the Federal Government had proceeded so far that the canal project was soon drawn away from private, almost from state, influence, and developed under the auspices of the United States.

In order that the place of the Chesapeake and Ohio Canal project in the "American System" may be understood, it becomes necessary to notice in the next chapter the attitude of the Federal Government towards internal improvement during the first twenty years of the nineteenth century.

CHAPTER II.

GALLATIN'S REPORT ON THE SUBJECT OF INTERNAL IMPROVEMENT.

In the United States there was no great transportation line until the Erie Canal was opened to navigation in 1825. For this there were two main reasons. First, private capital, and even state resources, had proved inadequate to the magnitude of such works as the widely extended territory of the country demanded. Second, the Federal Government, though possessing the means, hesitated between constitutional interpretation and the actual necessities of commerce, while for twenty years the country waited most impatiently for the decision only to discover at last that internal improvement in the United States must be initiated, at least, by private or state enterprise.

To provide for the common defence and to regulate commerce are duties assigned by the Constitution to Congress,[1] while the implied powers clause gives to that body power to make all laws necessary for the execution of these duties. Such were the arguments of those who favored internal improvement by the Federal Government. On the other hand, there had been from the foundation of the government a strong party in favor of limiting the powers of the Federal Government as nearly as possible to the letter of the Constitution. In 1801 this party, with Jefferson at its head, came into power. When the men of the strict construction party were thus brought face to face with the difficulties of actual government, they found it necessary to use power enough to govern efficiently even at the expense of their platform. Expediency conquered theory, though an effort was made to cover the defeat by a constitutional

[1] Article I, sec. 8.

amendment authorizing what had already been done under the plain requirements of the situation.[1] From that time forward nationalizing influences were kept at work by a succession of events beyond the control, perhaps, of any man, or even of any party.

Europe was distracted by a devastating war and as early as 1803 signs were not wanting that the United States would be drawn into the conflict.[2] Such a contingency emphasized the importance of a complete system of internal improvement and efforts were made to interest the Federal Government in that direction.[3] In 1807 it was said that without the aid of England a war with any principal power of Europe would suspend if not destroy our external navigation.[4] The lack of an adequate system of internal improvement was, during the Revolutionary War, the cause of almost every difficulty and danger which the colonies experienced.[5]

The subject of internal improvement was brought prominently before Congress for the first time in 1806. In that year no less than four separate enterprises were seeking financial assistance from the Federal Government, as follows:

I. On the fifth of December, 1805, several petitions which had been presented in the House for and against a bridge across the Potomac, at the city of Washington, were referred to a committee for report.[6] In due time the committee reported favorably with a bill which was passed March 21, 1806, by the House, but failed in the Senate.[7]

II. On the nineteenth of December the bill for the National Road was introduced in the Senate,[8] and became law by the approval of the President, March 29, 1806.[9]

---

[1] Jefferson's "Writings," Ford (1897), VIII, 262–3.

[2] President Jefferson's Third Annual Message. Richardson's "Messages and Papers of the Presidents," I, 361.

[3] "Annals of Congress," vol. 1806–7, 83, 84.

[4] *Ibid.*, 58.

[5] *Ibid.*, vol. 1805-6.

[6] *Ibid.*, 263.

[7] *Ibid.*, 234.

[8] *Ibid.*, 25.

[9] *Ibid.*, 1238.

III. On the twenty-eighth of January, 1806, the memorial of the Chesapeake and Delaware Canal was presented in the Senate and referred to a select committee.[1]

IV. On the tenth of February, 1806, a memorial from the General Assembly of Kentucky, in behalf of the Ohio Canal Company, was presented in the House and referred.[2] In due time the memorial was reported unfavorably, and the House resolved that it was inexpedient to grant the aid solicited by the legislature of Kentucky, in opening a canal to avoid the rapids of the Ohio.[3]

Of the four efforts to obtain federal aid only one, the National, or Cumberland Road succeeded. But that was by no means regarded as the beginning of a system of internal improvement by the Federal Government. On the other hand, aid was granted under what seemed the necessity of opening communication with the Western country. The Cumberland Road Bill was, moreover, based on an earlier arrangement by which the Federal Government waived a very small percentage of the income from the sale of public lands in Ohio for the purpose of making roads in or to that state.[4] The bill as passed in 1806 appropriated thirty thousand dollars to make a road from Cumberland, Maryland, to the Ohio River. The entire amount, however, was chargeable to the above-mentioned public lands fund which had been provided for in 1802.[5]

The Cumberland Road Bill was, therefore, scarcely more than a fulfilment by the Federal Government of a promise made to the people of the Northwest Territory in the bill of 1802, which provided for the admission of Ohio into the Union as a state.[6] Nevertheless, the Cumberland Road soon furnished the friends of internal improvement with a concrete example, to which they never failed to point whenever the constitutionality of their program was called in question.

---

[1] "Annals of Congress," vol. 1805-6, 74; see also *infra*, 16–19.
[2] *Ibid.*, 448. [3] *Ibid.*, 828. [4] *Ibid.*, 21–25.
[5] *Ibid.*, vol. [6] *Ibid.*, vol. 1801-2, 1349-51.

The case of the Chesapeake and Delaware Canal was different. An appeal was made directly to the Federal Government for aid in the prosecution of a work of internal improvement. The memorial, after reciting the military and commercial advantages which the canal was expected to furnish, gives in outline a review of that system of internal improvement along the Atlantic Coast, which was a little later recommended in the special report of the Secretary of War on the subject of roads and canals.[1] There is the same propriety, it was argued, in federal assistance for works of general importance to the Union as there is in state aid for local works such as the opening of rivers and the making of roads.[2] Great as were the advantages which the adjacent states were expected to derive from the canal, those to be gained by the Federal Government would be far greater, especially in the event of a foreign war. The committee to whom the memorial was referred brought in a favorable report, declaring that it is among the first duties of a government to promote public works of a general nature, and no work deserves the character of public improvements more than canals.[3] But the real importance of the proposed canal could only be justly appreciated when considered as "the basis of a vast scheme of interior navigation, connecting the waters of the Lakes with those of the most southern states." In the House, however, the memorial received an unfavorable report[4] and the matter was postponed to the next session.

In his message of December 2, 1806, President Jefferson, having reviewed the financial situation which promised in the near future a large surplus, recommends the maintenance of the import duties at a reasonable figure and the application of the resulting surplus to purposes of education and internal improvement. But "because the objects

---

[1] See Memorial of the Chesapeake and Delaware Canal Company in "Annals of Congress," vol. 1805–6, 194–197.

[2] *Ibid.*, 195. [3] *Ibid.*, 193. [4] *Ibid.*, 537.

now recommended are not among those enumerated in the Constitution," an amendment conferring the necessary authority was suggested.[1] Again, however, no amendment was proposed, since there was a strong party in favor of an aggressive internal improvement policy on the part of the government under cover of the implied powers of Constitution. On the contrary, an amendment intended to prevent the adoption of any such policy by the government was proposed in the House on the eleventh of December.[2] Here the amendment question rested for the time.

Again, in January, 1807, the Chesapeake and Delaware Canal question came up and was again favorably reported in the Senate.[3] With a full treasury, a small national debt, for the most part irredeemable for a term of years, and a committee appointed in the House to devise means of disposing of the surplus, no more propitious moment could be selected for the inauguration of the work. The sympathy of the executive was assured, and as to the question of the constitutionality of federal aid for internal improvements, it was argued that the cutting of a canal was a measure unquestionably proper with a view either to the safety of commerce or the defence of the nation, both of which functions belonged to the Federal Government. But even if that were not so, why should not Congress aid the canal in the same manner in which aid had just been given to the Cumberland Road? Why not make the company a grant of land to be paid for in capital stock? As soon as the canal should be completed the stock would become convertible, so that the government would merely be serving its own interests in effecting a quicker sale of the public lands, while the aid afforded the canal company would result in great and permanent advantages to the Union. But even beyond this there was good reason to believe that the stock

---

[1] "Sixth Annual Message," Richardson, I, 409, 410.
[2] "Annals of Congress," vol. 1806–7, 148.
[3] *Ibid.*, 31.

of the canal would become a valuable source of income. It was cited that English canals had already become very profitable.[1] In accordance with these arguments, a bill making a grant of land to the company was introduced and read a second time, when the whole matter was postponed till the next session.[2]

In 1809 a bill was passed by the Senate making a grant of land to the Chesapeake and Delaware Canal Company, but the measure was lost in the House.[3] The House held that the bill not only involved a great grant of public property, but also a constitutional question too important to be taken up near the end of a session. Still, the party in favor of the bill argued that no new principle was involved, and that the constitutional question had been decided long ago, when the Congress had taken stock in the Bank of the United States. Besides, the Cumberland Road had received grants in that very session, and also the Canal of Carondelet.[4] Nevertheless, the measure was postponed,[5] this time indefinitely, and though persistently brought forward at each session of Congress till 1819, no aid was granted till 1824, after the Chesapeake and Ohio Canal Convention had led to a change in the policy of the Federal Government toward internal improvement.

Meanwhile the subject of a system of internal improvement, under the auspices of the Federal Government, had developed independently of the Chesapeake and Delaware Canal Company's importunities. When it was discovered by the internal improvement party that Congress probably could not be committed to a system of internal improvement by urging the advantages to be expected from any particular work, the Senate immediately adopted other tactics looking to the inauguration of such a system in any form that might prove acceptable to the whole country. On the

---

[1] "Annals of Congress," vol. 1806–7, 59.
[2] *Ibid.*, vol. 1808-9, 341.
[3] *Ibid.*, 87.
[4] *Ibid.*, 1558-59.
[5] *Ibid.*, 1559.

twenty-third of February, 1807, a resolution was introduced directing the Secretary of the Treasury to collect and report to the Senate, at its next session, the best information obtainable concerning the usefulness, practicability and probable expense of the Chesapeake and Delaware Canal, together with plans by which the government might aid in the work. On the twenty-eighth this resolution was withdrawn and another substituted, asking for information and plans with a view to a comprehensive system of internal improvement.[1]

Following the directions of this resolution, Mr. Gallatin, Secretary of the Treasury, instituted an extensive inquiry on the subject of internal improvement in the United States. Two circulars were prepared, one containing fourteen questions about canals, the other nine questions about overland roads. By means of these circulars sent to those known to be in a position to furnish facts, a great mass of material was collected. The information gathered was embodied in a report of the Secretary of the Treasury on the subject of roads and canals. This report, dated April 4, 1808,[2] furnished the internal improvement party with another magazine of arguments and soon became a landmark in the struggle scarcely less important than the Cumberland Road.

The strong recommendations of the report occasioned no surprise, however, because it was well known that Mr. Gallatin was in favor of a central government that could do the things recommended by the report.[3] The extent of territory in the United States rendered facilities for transportation necessary and at the same time too expensive to be provided by private capital. But even if an individual work could be operated here and there, the whole country would not be benefited, as it would be by a general system of works advantageously distributed under the direction of the

[1] "Annals of Congress," vol. 1806–7, 97.

[2] 17th Congress, 1st Session, "Reports," etc., X, Document No. 8, 7–86, *passim.*

[3] "Annals of Congress," vol. 1806–7, 86.

Federal Government, and the Federal Government alone could overcome the difficulties of such a system. Again, the early and efficient aid of the Federal Government was recommended because good roads and canals would tend, through commercial and social intercourse, to bind in closer union the remotest corners of the United States.[1] Gallatin, therefore, thought that the United States should begin at once a complete system of internal improvement to be steadily prosecuted through a period of ten years. The entire plan comprehended four fairly distinct parts, corresponding in general with the physical features of what was then the United States.

I. The Atlantic Coast system, extending from Maine to Georgia.

II. The Atlantic and Western waters system, embracing the region south of New York and east of the Mississippi.

III. The Atlantic and Great Lakes-St. Lawrence system, chiefly in New York.

IV. Interior canals or local works throughout the country.

The report is somewhat confused, however, by an attempt to classify the proposed works according to their character as canals or roads rather than upon the single basis of routes, since several of the routes involve both canals and roads. The main features of the document may be briefly presented by routes, as follows:[2]

I. Atlantic Coast system.

---

[1] "Report Secretary of the Treasury on Public Roads and Canals," 1808, 2, 3.

[2] It would be difficult to overestimate the importance of the report which is summarized in the following text. It has been generally overlooked that the Chesapeake and Ohio Canal as actually commenced under the patronage of the Federal Government twenty years later, was an attempt to realize the ideals of this report, somewhat modified by the changes of those twenty years.

1. Canals.

Name.	Connecting.	From — to	Dist. Miles.	Lockage feet.	Estimated cost.
Massachusetts	Barnstable Bay / Buzzard's Bay	Weymouth / Taunton	26	260	$1,200,000
New Jersey	The Raritan / Delaware Bay	Brunswick / Trenton	28	100	800,000
Delaware and Chesapeake	Ches. Bay / Delaware Bay	Christiana / Elk	22	148	750,000
Chesapeake and Albemarle	Ches. Bay / Albemarle Sd.	Elizabeth riv / Pasquotank	22	40	250,000
		Totals,	98	548	$3,000,000

2. Roads.

A great turnpike road from Maine to Georgia, along the whole extent of the Atlantic Coast, to cost..... 4,800,000

Total. $7,800,000

II. The Atlantic and Western waters system.

1. The improvement of the four Atlantic rivers—Susquehanna, Potomac, James, and Santee to the highest practicable point, principally by canals, with locks where necessary, around the falls, to cost, in addition to what had already been expended by private companies ... $1,500,000

2. A canal at the falls of the Ohio, estimated at 300,000

3. Four artificial roads from the head of navigation on the four Atlantic rivers to the nearest corresponding Western rivers, namely, from the Susquehanna to the Alleghany, the Potomac to the Monongahela, the James to the Kanawha, and the Santee to the Tennessee, a total of four hundred miles, at an average cost of $7000 a mile..... 2,800,000

4. Improvement of roads to Detroit, St. Louis and New Orleans.....	200,000
	$4,800,000
III. The Atlantic and Great Lakes-St. Lawrence system.	
1. The Hudson and Champlain, or Northern navigation, extending from the confluence of the Hudson and the Mohawk to Lake Champlain	$800,000
2. The Mohawk and Ontario, or Western navigation, extending from the Hudson by way of the Mohawk River, Oneida Lake and the Onondaga and Oswego Rivers with Lake Ontario.....	2,200,000
3. Canal around Niagara Falls.....	1,000,000
Total	$4,000,000
IV. Interior, or local, canals. This system was apparently devised to meet the charge of favoritism which, it was thought, might be urged in some sections which could not be directly benefited by any of the great routes proposed. The location of such works was left to time and circumstance, while "without pretending to suggest what would be the additional sum necessary for that object, it will, for the sake of round numbers, be estimated at	$3,400,000

RECAPITULATION.

I. Atlantic Coast system.....	$7,800,000
II. Atlantic and Western waters system.	4,800,000
III. Atlantic and Great Lakes-St. Lawrence system	4,000,000
IV. Interior canals, estimated roughly at	3,400,000
Grand total	$20,000,000

The report suggested three ways in which the government might prosecute the actual construction of the works. These were:

First, purchase of stock in private companies.

Second, loans to private companies.

Third, direct prosecution of the works by contract under supervision of the government engineers.

Of the three the first two were considered better than the last because private companies, it was expected, would be more diligent and less wasteful. Gallatin preferred the first method. He thought the government should purchase stock in private companies organized for the immediate construction of the several works.

Arguments supporting a national internal improvement policy which looked to the ultimate expenditure of twenty million dollars of the public money were found in the following facts: An annual appropriation of two millions of dollars would bring the entire system to completion in ten years. That sum could in time of peace be furnished without inconvenience from existing resources of the treasury. The annual appropriation on account of the public debt alone for the preceding six years had been eight millions of dollars. After 1809, on account of the irredeemable character of the debt, scarcely more than four and a half millions annually could be used in that service. This one item would produce a surplus of over three and a half millions a year.

Viewed in another way, it appeared that the United States from 1801 to 1809 had discharged, or provided for, twenty-three millions of the principal of the old debt, to say nothing of the payment of a large portion of the Louisiana purchase in the meantime. Increasing revenues from a growing commerce rendered it probable that the country could more easily furnish twenty millions during the next ten years for internal improvements.

Again, the permanent annual revenue of the United States had, on a most moderate estimate, on a peace basis,

been placed at fourteen millions. The annual expenses of the government, including the debt service for the corresponding period, would not exceed eight and a half millions. If the government should apply three and a half millions annually to the defence and protection of the country, a most improbable amount if peace should continue, there would still remain two millions annually for internal improvement.

Finally, the Federal Government held, north of the Ohio River about one hundred million acres of land fit for cultivation, and about fifty million acres south of the Tennessee. No source of revenue could be more appropriately devoted to internal improvement. The proposed annual appropriation from the Treasury would cease in the event of a war, but the appropriation of the income from public lands till a certain sum should be reached, would constitute a practically permanent fund. "If the proceeds of the first ten millions of acres which may be sold, were applied to such improvements, the United States would be amply repaid in the sale of the other ninety millions." [1]

Such in outline is the system of internal improvement which for about a quarter of a century the Federal Government was more or less persistently urged to undertake. With what success it is the purpose of the following pages to show.

---

[1] Report of the Secretary of the Treasury on Public Roads and Canals, 1808, 42.

CHAPTER III.

EFFORTS TO INDUCE THE FEDERAL GOVERNMENT TO UNDERTAKE A SYSTEM OF INTERNAL IMPROVEMENT.

Mr. Gallatin urged that the government at once undertake his system as above outlined, by purchasing stock in the Chesapeake and Delaware Canal, the Dismal Swamp Canal, the Ohio Canal and the Pittsburg Road. Appropriations to the Cumberland Road, the only work yet undertaken directly by the government, might be made as occasion should demand.[1] As an important preliminary also, surveys and levels of the various routes might be obtained by the government at small expense. Until the expected amendment to the Constitution should be obtained, however, the government ought to be guided in the application of its means largely by circumstances.[2]

But before these recommendations reached Congress that body, as well as the whole country, had become absorbed in foreign affairs. Nevertheless, in 1810, the persistence of the Chesapeake and Delaware Canal Company, and the great need of a line of transportation to the Ohio country combined to direct attention once more to the subject of internal improvement. In January, 1810, a bill embodying the principal features of Mr. Gallatin's system was introduced in the Senate. A similar bill was about the same time introduced in the House, but both came to grief.[3]

The increasing troubles which were soon to issue in the War of 1812 only temporarily drowned the clamor for

[1] "Report of the Secretary of the Treasury," 1808, 44.
[2] *Ibid.*, 43.
[3] "Annals of Congress," 11th Congress, vol. 1809–10, 613, 1443.

internal improvements. The subject continued to come up in every session of Congress, and with the return of peace internal improvement began once more to absorb the attention of the people at large, and to find even stronger advocacy in the national legislature.

In his annual message of December 5, 1815, President Madison declared that the attention of Congress should now be recalled to the importance of establishing throughout the country the roads and canals which could be best executed under national authority. Such works, he continues, are not only the most profitable investments known, but also they "do the most honor to the governments whose wise and enlarged patriotism duly appreciates them." The fact that individual states were doing much was only stronger reason, said Madison, why the Federal Government should undertake those works which by their nature required a "national jurisdiction and national means." A constitutional amendment was again suggested to remove any doubt as to the power of the government to proceed with such works.[1]

The Senate Committee to which was referred that part of the President's message relating to roads and canals, brought in a bill, in February, 1816. The four principal provisions were as follows:

First, the appropriation of a certain annual sum which should constitute a fund for making roads and opening canals.

Second, payment for any shares of stock for which Congress might subscribe in any private company was to be made out of the fund so created.

Third, all dividends and profits which should accrue from the shares of stock held by the United States were to be credited to the fund.

Fourth, the Secretary of the Treasury was required to

---

[1] Richardson: "Messages and Papers of the Presidents," I, 567-8.

report the condition of the fund at each session of Congress.[1]

The bill reached and passed a third reading, but was then indefinitely postponed by a vote of eighteen to nine.[2] President Madison was by this time, however, so warmly attached to the idea of a system of internal improvement by the Federal Government that he could not permit such a disposition of the subject. In his eighth and last annual message Madison says: "I particularly invite again the attention of Congress to the expediency of exercising their existing powers, and, where necessary, of resorting to the prescribed mode of enlarging them, in order to effectuate a comprehensive system of roads and canals."[3] The friends of internal improvement thought no such amendment necessary and none was proposed. But in 1817 both Houses of the national legislature were able to agree upon a measure for the inauguration of a system of internal improvement by the Federal Government without an amendment to the Constitution.[4] This bill set apart the bonus paid for the charter of the second Bank of the United States, together with the share of the United States in the dividends of the bank, so as to create a permanent fund for the construction of roads and canals.[5] The money was to be applied in the same manner as that prescribed in the Senate Bill of 1816.[6] The national policy of internal improvement which had been favored by every executive since the foundation of the government,[7] for which a constitutional amendment had been first suggested in 1806,[8] which had been first clearly outlined in Gallatin's report in 1808,[9] and which had been

---

[1] "Annals of Congress," vol. 1815–16, 111.
[2] *Ibid.*, 300.
[3] Richardson, I, 576.
[4] "Annals of Congress," vol. 1816–17, 191, 934.
[5] *Ibid.*, 361.
[6] See *supra.*
[7] "Annals of Congress," vol. 1816–17, 925.
[8] Richardson, I, 410.
[9] "Report of the Secretary of the Treasury on the Subject of Roads and Canals." Washington, 1808.

urged in some form in every session of Congress for almost ten years, seemed at last about to be inaugurated. Imagine, then, the disappointment of the friends of the system when President Madison, on the last day of his presidency, vetoed the bill on the ground that the Federal Government had not the power under the Constitution to engage in such works. The bill had passed the House originally by only a narrow majority and of course could not be passed over the veto. To the friends of the system it appeared as if the patient, persistent work of a decade had been destroyed by the stroke of a pen.

By this time the states had begun to despair of national assistance in works of internal improvement and were turning more seriously to their own resources. New York was just beginning the Erie Canal, which was soon to make New York City the metropolis of America.[1] The General Assembly of Virginia, in 1816, created a Board of Public Works,[2] while Maryland soon after took action to hasten the opening of the Potomac navigation.[3]

In Congress the friends of internal improvement soon rallied again, and President Monroe, in his first annual message, once more urged upon Congress the opportunity amounting almost to a necessity in view of the great extent of the United States, of a national policy of internal improvement.[4] At the same time the President expressed the opinion that Congress did not have the power to prosecute such works, and strongly recommended an amendment to remedy the defect.[5] The Senate was first to act, and on the ninth of December, 1817, the following amendment to the Constitution was proposed:

"Congress shall have power to pass laws appropriating money for constructing roads and canals, and improving the

[1] "The Erie Canal and its Relations to the City of New York," *Scribner's Magazine*, vol. 1877–78, 118, 119.

[2] "Laws of Virginia," 1816, ch.

[3] "Acts, etc., Relating to the Chesapeake and Ohio Canal," 142.

[4] Richardson, I, 584–5.

[5] *Ibid.*, II, 17, 18.

navigation of water-courses. *Provided, however,* That no road or canal, shall be conducted in any state, nor the navigation of its waters improved, without the consent of such state. *And provided also,* That whenever Congress shall appropriate money to these objects, the amount thereof shall be distributed among the several states, in the ratio of representation which each state shall have in the most numerous branch of the national legislature. But the portion of any state, with its own consent, may be applied to the purpose aforesaid, in any other state." [1]

The amendment passed to a second reading, but on the twenty-sixth of March, 1818, the matter was indefinitely postponed by a vote of twenty-two to nine.[2]

The above vote, however, must not be regarded as in any way significant. On the other hand, the "American System" was just beginning to take strong hold of the country, and every influence was beginning to strengthen the hands of the Federal Government. The President was strongly in favor of a system of internal improvement. He was most ably seconded in the Cabinet, not by the Secretary of the Treasury, as the President in 1808 had been, but by the Secretary of War, that doughty champion of energetic measures in anything in which he might be engaged, John C. Calhoun. Recognizing in Calhoun the champion which had been found in Gallatin in 1808, the House passed a resolution in April, 1818, directing the Secretary of War to collect and report at the next session such information as he might be able to obtain on the subject of roads and canals, together with plans for the application of such means as Congress possessed to internal improvement.[3] Mr. Calhoun at that time was known to favor large national powers. He had no constitutional scruples, and his report in response to the resolution of the House went even further

---

[1] "Annals of Congress," 1817–18, I, 22.
[2] *Ibid.*, 292.
[3] *Ibid.*, II, 1678.

than that of Gallatin had gone in recommending an aggressive policy in regard to internal improvement.[1] For such a policy Calhoun believed that the government had ample powers under the Constitution.

He therefore recommended that the Federal Government engage directly in the work of construction. This might be done at once by employing the engineer corps in making the necessary surveys and plans. Then the work might be let out to contractors under the supervision of the government. It was even recommended that the soldiers be employed on works of internal improvement at a compensation a little below the average wages paid for such work, in addition to their regular pay, which was scarcely more than nominal. The proposition will not seem so startling when it is recalled that this very method had been adopted by the Secretary of War in the construction of military roads, and with highly satisfactory results. On several roads work was, at that time, being performed by the soldiers, who received a wage of fifteen cents a day, "with an extra allowance of a gill of whiskey."[2]

With this report of the Secretary of War the second cycle of internal improvement agitation may be said to culminate. The "American System" had been practically, if not theoretically, accepted, the era of good feeling had been ushered in, the effects of the War of 1812 were no longer felt, save in the prosperity shared by all branches of industry, and population and wealth were rapidly increasing, while there was yet no adequate means of communication between the Atlantic seaboard and the interior. Such a communication, always greatly to be desired, had, with the increasing importance of the Western country, become almost indispensable. Still the Federal Government hesitated.

---

[1] See "Report of the Secretary of War Relative to Roads and Canals." Washington, 1819.

[2] *Ibid.*

Meanwhile there were other influences at work developing, half unconsciously and under other auspices, one of the greatest enterprises which the modern world has seen in the way of internal improvement. Public works by the Federal Government, as an abstract principle, seemed out of the question, but might not the Federal Government be induced to undertake the Chesapeake and Ohio Canal project?

CHAPTER IV.

INDEPENDENT MOVEMENT FOR A CANAL.

It would be difficult to say precisely where or when the Chesapeake and Ohio Canal project had its origin. The Board of Public Works of Virginia, soon after its creation by Act of Assembly in 1816, had suggested that a connection might be effected between the waters of the Potomac and those of the Ohio "by a navigable canal." [1] There was no response to this suggestion, but in 1819 the board received an application from the Potomac Company for an examination with a view to decide upon the best policy to be adopted for the future in order to give full effect to the purposes of that company's charter.[2] As a result of this appeal, the General Assembly of Virginia passed a resolution, January 8, 1820, requesting the Board of Public Works to inquire into the expediency of directing the principal engineer to examine the waters of the Potomac, above the upper line of the District of Columbia, with a view to ascertain and report upon the most efficient means of im-

[1] House Report No. 90, 19th Congress, 2d Session, 2.

[2] The Potomac Company was chartered by Virginia in 1784; the charter was confirmed by Maryland in 1785, and in the same year George Washington was chosen president. The company at once engaged in a determined and persistent effort to render navigable the channel of the Potomac River. The effort was only partially successful. Only one dividend was ever paid ($3000, in 1811), and by 1819 the company had expended every dollar of its stock, its entire income for thirty-five years, besides creating a debt of $100,000, while the condition of the River channel was still so obstructed that the income from tolls was not sufficient to meet operating expenses. It was under these circumstances that the appeal was made to the Board of Public Works of Virginia.

proving the navigation of the same, "and to explore the country between the Potomac and the Ohio on one side, and the Potomac and the Rappahannock on the other, with a view to ascertain and report upon the practicability of effecting a communication by canals between the three rivers." [1] Accordingly, Mr. Thomas Moore, chief engineer of the board, was detailed for the work, which was begun June 30, 1820.[2]

Though the Potomac Company had failed to accomplish the purposes set forth in the charter, yet the amount of traffic which passed through the company's works, while so very imperfect, seemed to show conclusively a strong desire on the part of the public to transport goods by way of the Potomac. What could explain this desire if not the shortness and cheapness of the route? Mr. Moore was, therefore, directed to survey the river with a view to the location of a canal in that valley. The results of that survey led to the conclusion that a canal from Georgetown to the Coal Banks above Cumberland was entirely practicable, while the probable cost was put down at only $1,114,300.[3]

This was the earliest survey to determine the practicability of a continuous canal throughout the valley of the Potomac,[4] and the accompanying estimate of the cost of such a canal became the basis of the agitation which from that time forward ceaselessly occupied the friends of the enterprise. Mr. Moore's report, dated December 27, 1820, was transmitted to the Governor of Virginia and by him to the General Assembly. Upon the basis of the representations made in this report a resolution [5] was adopted authorizing the governor to appoint a committee to co-operate

[1] "Laws of Virginia Relating," etc., December Session, 1819, Resolutions.

[2] House Report No. 90, 19th Congress, 2d Session, 33.

[3] "Mr. Andrew Stewart's Report on the Chesapeake and Ohio Canal," 14.

[4] *Ibid.*, 14.

[5] "Acts, etc., Relating to the Chesapeake and Ohio Canal," 116.

with a similar committee to be appointed by the governor of Maryland. This committee was to be empowered to make an examination of the affairs of the Potomac Company and report to the states immediately concerned.

Accordingly, as soon as the resolution had been passed, January 29, 1821, by the General Assembly of Virginia, a copy was laid before the legislature of Maryland. A similar resolution was promptly adopted by that body,[1] and the joint committee thus authorized was immediately after appointed.

The object for which the committee had been appointed was to examine the Potomac and its branches in order to show whether the Potomac Company had fulfilled the conditions of its charter. If it should appear that the terms of the charter had not been complied with, and that the resources of the company afforded no prospect of effecting at an early date the objects of the incorporation, one of two possible courses would have to be adopted:

I. The states interested might furnish money to the Potomac Company.

II. An action might be brought for "annulling and vacating the charter,"[2] which had continued in force to that time only through the indulgence accorded the company on account of the urgent need of better transportation facilities through the valley of the Potomac. Nor were these diplomatic formalities intended for one moment to conceal the facts in the case. It had become painfully evident, even to the members of the company, that the Potomac Company had outlived its day. Yet the negotiations which were considered necessary for the accomplishment, without opposition, of so plain a requirement had dragged along through almost two years. At last, however, under the pressure of new commercial conditions, and the

---

[1] "Acts, etc., Relating to the Chesapeake and Ohio Canal," 142.
[2] See "Laws of Virginia," December Session, 1820.

rapid growth of all kinds of business after the peace of 1815, a new order of things was tardily inaugurated.

The members of the joint committee were Athanasius Fenwick, William Naylor and Moses T. Hunter[1] on the part of Maryland; William T. T. Mason and Elie Williams on the part of Virginia. Slow communication and the distance which separated the members of the commission caused some delay; then the sickness of Mr. Moore, who had made the previous survey, and had therefore been appointed by the commissioners to undertake, with Mr. Isaac Briggs, of Maryland, the present examination, caused still further postponement. It was not till July 2, 1821, that the commissioners were able to meet at Georgetown, D. C., and begin the responsible work imposed upon them. An examination of the books of the Potomac Company revealed a condition of hopeless bankruptcy, with no reasonable prospect of obtaining in the near future a sum of money sufficient to meet the requirements of the charter.[2]

Having satisfied themselves that the purpose for which the Potomac Company had been created, namely, the open-

---

[1] "Report of the Commissioners to Survey the Potomac," 90.

[2] The questions put by the Commissioners to the treasurer of the Potomac Company brought out the following facts:

Amount actually received on stock	$336,551.10
Total amount on tolls from August 1, 1799, to August 1, 1822	225,817.67
Total	$562,368.77
Deduct the only dividend ever paid	3,890.00
Total resources	$558,478.77
Total amount expended by the company from its origin till August 1, 1822	729,387.29
Leaving net indebtedness, August 1, 1822	171,909.52

The interest alone on this debt amounted to near $10,000 a year, while the average annual tolls for the preceding ten years had not been over $10,300, leaving practically nothing for operating expenses or repairs.

ing of the channel of the Potomac River to navigation, could not be accomplished with the means in sight, the commissioners determined to recommend that the charter be annulled. They believed that the time had come for abandoning the river channel in favor of a continuous canal extending at least from tide-water to Cumberland. Accordingly, the commissioners proceeded to Cumberland on the fifteenth of July, and spent the rest of that month in an inspection of the Potomac from that point westward as far as the mouth of Savage River. An attempt was also made to discover a possible line of communication between the head-waters of the Potomac and those of the Ohio at the junction of the Monongahela and the Alleghany.

On the thirty-first of July, having completed these preliminary surveys under the guidance of Mr. Moore's survey of 1820, the commissioners began the location of a canal which they had reason to believe would be at once undertaken jointly by Maryland and Virginia. But in the work of location many difficulties were encountered, among which sickness was by no means the least. Members of the engineer corps would fall sick, leave the work and perhaps several days would elapse before a competent substitute could be found to fill the vacant place.[1] Finally, on the eighteenth of September, when the work of location had proceeded to a point one hundred and fifty-seven miles eastward from the beginning, Chief Engineer Moore fell sick and the work had to be abandoned. The death of Mr. Moore, which followed within a week or ten days after his retirement, undoubtedly marks a turning point in the history of the Chesapeake and Ohio Canal project. Had this able and efficient officer, already an authority on the topography of the Potomac region, lived to give practical and immediate direction to the eager yet half-jealous interest of the states concerned, there is every reason to believe that the canal would have been in operation between Georgetown and Cumberland before 1826, when

[1] "Report of the Commissioners to Survey the Potomac," 70, 71.

the United States Government completed its first survey and estimate. As it was, the survey could not be resumed till the first of December. Mr. Isaac Briggs, who had been appointed by Maryland to assist Moore, of Virginia, succeeded to Moore's place as chief engineer to the Board of Public Works of Virginia, and now took up the work where it had been dropped.

Notwithstanding the lateness of the season, Briggs pushed the work of location rapidly to completion. The commissioners then addressed themselves to the task of accumulating data for an estimate of the cost of the proposed canal. But pioneer work in this field was found to be both tedious and difficult. It is true that by 1822 canals were no longer new or strange, but in the United States canals were looked upon as having just entered the experimental stage, and the vast sums of money necessary for such undertakings were not forthcoming. The Erie Canal in New York had been commenced about 1817 with money furnished by the state treasury, after a vain effort had been made to induce the United States Government to undertake the work, and by 1822 this great enterprise was nearing completion. It would seem, therefore, that the Erie Canal should have furnished all necessary data ready to hand, and, in fact, such was the case; but the Chesapeake project involved two peculiar difficulties which were never sufficiently taken into account:

I. The canal as located by the joint commission of Maryland and Virginia would lie throughout in the valley of the Potomac, a valley everywhere narrow, while in many places mountain cliffs confine the river to a narrow gorge.

II. On account of these cliffs the canal would have to lie for miles on the very margin of the river—sometimes partly in the channel—thus exposing the works to the full force of the frequent and violent freshets in the Potomac Valley.

These conditions appear to have been overlooked in every one of the numerous estimates of the cost of the Chesapeake and Ohio Canal.

Neglecting the enormous expense required to give permanence to a work exposed to such dangers, the commissioners were able to reach quite satisfactory conclusions as to the probable cost of the work. How little value attached to such an estimate becomes very clear in the light of subsequent events.

As the basis of their estimate the commissioners adopted a canal thirty feet wide at the surface, twenty feet wide at the bottom, and deep enough for three feet of water. Such a canal, it was thought, might be constructed along the Maryland shore of the Potomac from Georgetown to Cumberland for $1,574,954, an increase over Moore's estimate of nearly half a million dollars.[1] As finally constructed, the canal cost the state of Maryland alone over eleven millions of dollars, while the subscriptions of the United States Government, the District cities, Virginia and others in the early days of the enterprise, swelled the total to almost fifteen millions of dollars,[2] or nearly ten times as much as the work was expected to cost if it had been pushed rapidly to completion at the time when public interest was first generally attracted to the canal enterprise. It is not strange, therefore, that the report of the commissioners, transmitted under date of December 19, 1822, to the governors of Virginia and Maryland, and by them to the General Assemblies of their respective states, should have aroused considerable enthusiasm in the enterprise. The first cost was to be indeed large for those days, but trifling after all in comparison with the profits which English experience had taught to expect from a canal. Some English canals were at that time paying an annual dividend of thirty per centum on their stock, to say nothing of the reduction of the cost of transportation to the general public. The proposed canal from Georgetown to Cumberland was expected to reduce

[1] "Report of the Commissioners to Survey the Potomac," 83.

[2] "Report to the Stockholders on Completion of the Canal to Cumberland," 154.

the cost of transportation to one-tenth of the cost by team over the roads.[1]

Maryland and Virginia had long been accustomed to act together in regard to the Potomac, and it was confidently expected that they would now quickly agree upon the legislation necessary for a canal. Yet a bill for the incorporation of the "Potomac Canal Company" failed to pass the General Assembly of Maryland. Why? Did the business instinct of Maryland's legislators scent danger in the quiet and apparently innocent thread of water which it had been proposed to prepare to lead small, harmless craft to Georgetown instead of Baltimore? We are not told—unless in the logic of the events which followed.

In the General Assembly of Virginia, a bill for the incorporation of the "Potomac Canal Company" passed on the twenty-second of February 1823; but of course the enterprise could not proceed without the consent of Maryland. If that refusal to charter the "Potomac Canal Company" had killed the enterprise outright, Maryland would have been spared a humiliating and very costly series of blunders extending through a period of three-quarters of a century. Maryland's refusal, however, so far from killing the enterprise, only served to arouse its friends. Maryland may, therefore, on account of that hesitation, be said to have prevented the speedy and economical construction of a small canal which would have conferred inestimable benefits upon the adjacent country, might have paid a good annual dividend, and still left Baltimore entirely free to adopt any mode of communication with the West that might seem to offer the best results. If the prevention of these things had been the end of the matter, the responsibility might be complacently, even cheerfully, accepted. But there was more. When the first practical and needful measures were abandoned there was substituted for them a chimerical project

[1] "Report to the Stockholders on Completion of the Canal to Cumberland," 32.

which was by courtesy called the Chesapeake and Ohio Canal. Is it possible that a canal connecting Georgetown instead of Baltimore with the West could have interfered with Baltimore's prosperity more than did that chimera of a canal? That question also may be best answered in the language of events.

It was in the early twenties that the rising tide of public opinion in favor of internal improvements by the Federal Government began to sweep away all obstructions. Already there were unmistakable signs that the policy which the Federal Government had adhered to more or less consistently for thirty-five years was about to be abandoned. If at last a great system of internal improvement was to be inaugurated by the Federal Government, what more appropriate than that a beginning be made with a liberal subsidy to the "Potomac Canal?" Accordingly, at the call of friends of the enterprise popular meetings were held in Virginia, Maryland and Pennsylvania during the spring and early summer of 1823. Public sentiment was found to run so strongly in favor of the enterprise that it was determined to hold a convention in Washington some time in the fall for the purpose of uniting counsels, proposing such legislation as would harmonize all the interests to be advanced by the canal, and of enlisting the hearty co-operation of the three sister states of Maryland, Pennsylvania and Virginia with the United States in an enterprise that would surpass in importance any like undertaking in the world. So inviting did the project appear to its friends that few if any realized how many obstacles blocked the way to success. The advantages of the proposed work to private and public welfare, to civil and military interests were so apparent and so real to the promoters of the enterprise that local jealousies and political intrigues were expected to vanish in the ardent desire of all to see the canal speedily completed.

Meanwhile events were rapidly enlarging the project and raising questions which for number and difficulty must have baffled the wisdom and magnanimity of the world. It

appears that the first public meeting in the interest of the canal enterprise was held at the courthouse in Leesburg, Virginia, August 25, 1823.[1] Mr. John Rose, Esq., was chosen president and Mr Robert Braden appointed secretary. Many similar meetings were held, but the preamble to the resolutions adopted at Leesburg will serve to show the purpose and spirit of all:

"WHEREAS, The improvement of the navigation of the River Potomac by a canal from the seat of government to the Great Cumberland Road, to be thence extended, as soon as practicable, so as to meet a similar canal from the head of the steamboat navigation of the nearest western water, is an object of inestimable importance, not only to the several states through whose territory the contemplated canal may pass, but to the commercial and political prosperity of the United States in general: Be it therefore recommended to the citizens of the several counties and corporations disposed to co-operate in the promotion of the above object, in order to devise some practical scheme for its certain and speedy accomplishment; to elect, respectively, two or more delegates to represent them in a general meeting to be held in the city of Washington, on Thursday, the sixth of November next."

The invitation was generally accepted. The delegates chosen met in the Capitol at Washington, Thursday, Friday and Saturday, November 6, 7 and 8, 1823.[2] The personnel of this convention is not without a certain significance. Glancing over the roll, it appears that there were thirty-eight representatives from Virginia, thirty-one from Maryland, twenty-four from the District of Columbia, one only from Pennsylvania and none from Ohio.

When it is remembered that Virginia had ever been most active in regard to the Potomac route, had originated the

[1] "Washingtonian," No. 910.

[2] "Proceedings of the Chesapeake and Ohio Canal Convention." Washington, 1823.

Potomac Company and given her most illustrious son to preside over that ill-starred corporation, had received the Potomac Company's appeal, acted upon it and procured an examination, had chartered the Potomac Canal Company, and when Maryland refused to aid in the prosecution of that modest work, had first given active support to that larger design born of an expanding commerce and a vigorous young republic just becoming conscious of its unparalleled powers and possibilities, it will not seem strange that Virginia's delegation of her most public-spirited and influential citizens should have composed three-fifths of the whole convention. This also in spite of the fact that three other states and the District of Columbia each had a material interest about as important as that of Virginia.

Maryland's interest in the Potomac trade route had always been lively, and though hesitating in the matter of a canal, she sent a good delegation to the Washington convention. The District of Columbia delegation was naturally the largest in proportion to area represented. Two or three citizens of Ohio found their way across the Alleghanies and sat in the convention as honorary members, notwithstanding the fact that the new state would presumably have to wait a long time for the canal to reach her borders, while the Erie Canal was almost ready to offer the West easy, rapid and cheap transportation to the seaboard at New York. Pennsylvania, absorbed in the construction of transportation lines intended to draw the products of the West to Philadelphia, sent only one delegate to the Washington convention, and Mr. Shriver attended, no doubt, more out of the personal interest which he felt in such works than as a representative of the public sentiment of Pennsylvania.

It is worth while to take this glance at the convention in which the Chesapeake and Ohio Canal project took shape, and to mark where the centre of gravity, so to say, lies, because that centre was to shift twice within the next ten years, the second time not without its interest for Maryland. A further fact to be noted in behalf of Maryland is that

although Virginia had apparently been more active in the matter of legislation favoring the Potomac, Maryland had subscribed for more shares of stock.[1] Finally, and most significant of all, it is to be noted that while the state of Maryland sent one-third of the delegates who attended the Washington Convention Baltimore sent not a single delegate. The proceedings show that on the first day of the Convention, on motion of Gen. Mason, Dr. Wm. Howard, of Baltimore, was admitted to a seat in the Convention as an honorary member. Dr. Howard was always a warm friend of the Chesapeake and Ohio Canal project, believing that by connecting Baltimore with the canal Maryland's metropolis would secure the earliest and best communication with the West then possible.

After the roll-call on Friday, November 7, 1823, on motion of Mr. Mercer, of Virginia, Dr. Joseph Kent, of Prince George's County, Maryland, was unanimously chosen President of the Convention. The preamble to the resolutions then introduced by Mr. Mercer is as follows:

"WHEREAS, A connection of the Atlantic and Western waters by a canal, leading from the seat of the National Government to the river Ohio, regarded as a local object, is one of the highest importance to the states immediately interested therein, and considered in a national view, is of inestimable consequence to the future union, security and happiness of the United States,

"*Resolved*, That it is expedient to substitute for the present defective navigation of the Potomac River, above tide-water, a navigable canal from Cumberland to the Coal Banks at the eastern base of the Alleghany, and to extend such canal as soon thereafter as practicable to the highest constant steamboat navigation of the Monongahela or Ohio River."[2]

---

[1] Amount subscribed by Virginia, 120 shares, $53,333.33⅓; by Maryland, 220 shares, $97,777.77⅔; "Report Maryland and Virginia Commissioners," Exhibit A.

[2] "Proceedings," 4.

It was further brought out that the canal was to extend ultimately to Lake Erie, thus connecting the seat of Government and the Great Lakes. If this idea was not new it was the earliest complete statement of the Chesapeake and Ohio Canal project.

The construction of the canal from Georgetown to the Coal Banks was to be commenced at once. The estimate of the Virginia and Maryland Commissioners was adopted as a basis, and, making liberal allowance for the extension above Cumberland, and an enlargement of the canal to forty feet at the surface, Mr. Mercer considered the sum of $2,750,000 as ample for the completion of the work.[1] In justice to Mr. Mercer and the members of the Washington Convention, it ought to be said in the light of experience that if the work could have been put at once into the hands of a strictly business corporation operating on purely economic principles, there are many reasons to believe that the canal would have been actually completed within two or three years at a cost of no more than $2,750,000 if not less. But the Chesapeake and Ohio Canal project was born in politics and in politics it was to die.

Ninety-six miles of the Erie Canal had been completed, at an average cost of only $11,792 a mile, while the completed section of the Champlain Canal had fallen 28 per cent. below the estimated cost of $10,000 a mile. Canals had been constructed in both Virginia and Pennsylvania at a cost even lower than this.[2] The estimate proposed for the Chesapeake and Ohio Canal, 212 miles to the Coal Banks, gives an average of nearly $13,000 per mile. Gen. Lacock, late of the United States Senate, aided by Mr. David Shriver, who had an intimate general and local knowledge of the subject, had formed an independent estimate, and, in conjunction with other responsible men, had offered to construct the proposed canal for $2,500,000, being a little over

[1] Speech of C. F. Mercer, Convention of 1823, 23.
[2] *Ibid.*, 22.

$11,000 a mile. Upon those who are skeptical on this point must rest the burden of showing how practical business men, accustomed to large financial responsibility, could have exposed themselves to such ruin as that which ultimately overtook the canal had that ruin been inherent in the nature of the enterprise.

Just at this time the results of Clay's "American System" were just beginning to appear and some popular object had to be found upon which to expend the surplus revenue brought into the Treasury by the protective tariff of 1820. In that situation Mr. Mercer and other members of Congress, as well as the local politicians, saw what they mistook to be their opportunity. General Lacock's offer was not considered, and the Convention under the direction of Mr. Mercer proceeded to the adoption of the following plan:

The entire sum of $2,750,000 was to be furnished by the governments interested: The United States four-elevenths, or $1,000,000; Virginia, three-elevenths, or $750,000; the District cities, two-elevenths, or $500,000; and Maryland two-elevenths, or $500,000. The Federal Government would thus, aside from great moral weight, be by far the largest stockholder, and might, for that reason alone, be expected to exert a controlling influence in the work. Indeed, the proposed division of stock was entirely arbitrary, and was adopted for the double purpose of committing the Federal Government irrevocably to the enterprise, and of retaining the management of the canal in the hands of federal officials. In order to make certain of these points the plan went further, and proposed that the United States should become directly responsible to the company for the entire amount of the stock, which was to be paid over in four annual instalments, the first payment to be made on the first of March, 1825, the last on the first of March, 1829. Here at last was a great work of internal improvement for the execution of which the Federal Government was ex-

pected to become responsible. The whole project was expressly stated to be otherwise impracticable.[1]

The Joint Commission to Survey the Potomac had reckoned upon an equal division of the financial responsibility between the interested states. The existence of industries which paid large profits on all available private capital, leaving none for transportation companies, made the necessity for those facilities all the more pressing. But independent of this fact it was widely believed that canals offered a good investment for the state's money on purely economic grounds. The first cost might be met by a loan. After the completion of the canal, the dividend on the stock would be sufficient not only to pay the interest on the loan, but in time to extinguish the principal. Was not New York about completing such a work at a very reasonable cost, and with every prospect of a liberal income? The Washington Convention simply proposed to apply the same reasoning to the Federal Government. That, of course, involved the old constitutional question which had steadily confronted the country since the Declaration of Independence. That question had defeated two propositions for an extended system of internal improvement by the Federal Government, but at last the success of the so-called "American System" had brought to Congress a solid majority in favor of a strong national policy. Whether prosperity came because of the tariff duties, or not, it certainly came after them, and the theories which had stood the test of oratory and logic for more than a quarter of a century were powerless against the logic of commercial prosperity.

Once more expediency was to triumph over theory. President Monroe believed, like his predecessor, that Congress did not have power, under the Constitution, to undertake works of internal improvement. Yet Monroe was not the one to stand in the way of a popular movement, and

---

[1] "Proceedings of the Chesapeake and Ohio Canal Convention in 1823 and 1826," 56.

there were already signs that he would conquer his convictions in regard to internal improvements. Such were the conditions under which the Convention of 1823 assembled. It is not strange, therefore, that the Convention assumed not only the sympathy and interest, but also the financial support of the Federal Government in a work which was to a certain extent, in its very nature, national.

The financial plan thus conveniently disposed of, the Convention was at liberty to address itself to more serious difficulties. Judging from the number and enthusiasm of the delegates the Convention expected that the charter would be readily agreed upon, and that by the spring of 1825 at the latest the company would have all of the many conflicting interests harmonized and be ready to begin cutting the canal. In that event coal would be coming down the canal from the Alleghanies by the summer of 1829. With the large dividends which were confidently expected in that event—the company was forbidden to pay a dividend of more than fifteen per cent. in any one year until the western section of the canal should be completed—the interest was to be paid on the original loan and the canal pushed steadily west to Pittsburg. All this looked reasonable enough to those most familiar with the physical obstacles to be overcome. What the Convention did not foresee was the impossibility of obtaining in this epoch of stage coaches the speed necessary for the successful prosecution of such a work so long as two jealous state legislatures had to agree with the Congress of the United States on every question of policy that might arise.

As an example of the almost romantic nature of what was made to appear so practical an undertaking, the evolution of the name is in point. The Joint Commission had recommended, and the Virginia act of 1823 had adopted the title, "Potomac Canal Company." The Washington Convention, in view of the enlarged purpose of the enterprise, had changed the name to the "Union Canal," which was to consist of an eastern section, extending from Georgetown to

the Coal Banks, and a western section extending from the Coal Banks to the head of steamboat navigation on the Ohio. When the resolutions containing these suggestions were referred, on motion of Mr. Mercer, to a committee, another change of name was proposed. It was discovered that a short canal in Pennsylvania had received the name, "Union Canal," and the committee recommended that their own darling be christened, in allusion to the waters to be connected, the "Chesapeake and Ohio Canal." From that time the Convention has been called the Chesapeake and Ohio Canal Convention.

The resolutions of Mr. Mercer, as revised by the committee of which Mr. Mercer himself was Chairman, were adopted by the Convention on the last day of the session. These resolutions contained a form for the charter, drawn on the lines of the charter of the Potomac Company, enacted by Virginia in the preceding winter. Separate committees were appointed to see that a draft of the charter was promptly introduced at the coming session of the General Assemblies of Maryland, Virginia, Pennsylvania and Ohio, while a similar committee was to look after the interests of the project in Congress. In addition to these there was appointed a Central Committee, with Mr. Mercer as Chairman, to give direction and efficiency to all the various forces at work in behalf of the canal. Among other things the committee was empowered to prepare and introduce into Congress a suitable memorial, gather all the information possible, hasten the surveys, have commissioners appointed to open books for subscription to stock, and, if occasion required, call another meeting of the Convention.

The Convention of 1823 is a very important landmark in the development of the Chesapeake and Ohio Canal project. Up to that time the face of the nation's executive had been firmly set against federal participation in works of internal improvement. After the Convention the National Administration threw to the winds its scruples on the unconstitutionality of such a proceeding, and enlisted heartily and effec-

tively in the project to which the Convention had first given a definite, concrete shape. Up to this point the development had been rather that of a theory—the growth of an idea, which had been very early grasped, and clearly expressed by Washington. After 1823 the development is of another sort.

The most plausible theory may prove difficult to reduce to practice. Three or four generations had passed away while Washington's great idea was slowly maturing into the Chesapeake and Ohio Canal project, with a definite plan for the immediate commencement of the work. To theoretical and logical difficulties must be added henceforth practical difficulties of the most serious character. Ideals must be reduced to realities, and means provided for the actual accomplishment of a project which, for magnitude and bright promise, had scarcely been equaled, perhaps, in the history of transportation.[1]

Before the Convention of 1823, argument for the advantages and even necessity of better transportation facilities by way of the Potomac had formed the burden of examinations, reports and recommendations. After that Convention the question is one of cost, and the possibility of overcoming the physical and other obstacles which one after another confront those who have the responsibility of leading the movement to success or failure.

Finally the project which seemed so promising to the Convention received its first complete expression in that body. Washington, nearly three-quarters of a century before, had indicated in general the lines of transportation to be first developed. The Potomac Company, about half a century before, had partially opened a small section of the lines indicated by Washington. But it remained for the Chesapeake and Ohio Canal Convention of 1823, assembled in the Capitol building in the capital of the nation, to lay down upon

[1] Letter of General Bernard, printed in "Proceedings of the Chesapeake and Ohio Canal Convention," Washington, 1823 and 1826, 60.

reasonable data a complete plan of communication by canal between the seat of government on the Potomac and the head of steamboat navigation on the Ohio, and thence, by a route which had just been pronounced practicable, to the Great Lakes.

Such was the Chesapeake and Ohio Canal project. It remains to discover how far the enterprise was successful. and to notice some of the things which contributed to its ultimate failure.

CHAPTER V.

CHARTER LEGISLATION.

Ordinarily a charter could be obtained from a state legislature for the asking, and usually within a few weeks after the application. But the charter for a great national waterway through the heart of the country was a different matter. Four states and the United States Government were directly interested, and the consent of all would be necessary to the validity of any charter for the entire work. When it is remembered that scarcely a generation had passed since the states had been at daggers' points over their commercial relations, it might be safely predicted that to harmonize five of these conflicting interests in a joint commercial enterprise would be no easy task. Fortunately, the consent of all the parties interested was not necessary to the inauguration of the work. The agreement of Virginia and Maryland, however, seemed essential in any measure affecting the earlier Potomac Company. That company was the creature of those two states; its affairs had been examined and reported upon by a committee acting under a joint authority, and it was clear that the charter which had been drafted for the successor to the Potomac Company, could not become operative until sanctioned by both Maryland and Virginia.

Maryland had neglected to confirm the charter of the Potomac Canal Company, granted by Virginia in 1823, hence the act never became operative. By a rather unexpected turn in the fortunes of the enterprise, however, that act became the basis of the charter of the Chesapeake and Ohio Canal Company.

When the Convention of 1823 met in Washington, the most important business, after defining the project and

deciding upon its expediency and practicability was to agree upon the terms of a charter. Mr. Mercer, who had been the leader of the movement for a convention, never tired of reminding his followers that the charter of the enterprise which was to cement the Union and bring untold wealth and power to the nation, originated in an "act passed by the General Assembly of Virginia on the twenty-second of February."[1] Accordingly, though a few changes were made recognizing the larger purposes of the proposed company, the main features of the charter of the Potomac Canal Company were retained in the new charter, and separate committees were appointed to bring the proposed charter before the legislatures of the several states, and before Congress.[2]

Immediately after the adjournment of the Convention the several committees addressed themselves confidently to the work with which they had been entrusted. Bills were prepared on the basis of the draft which had been adopted by the Convention, and after approval by the Central Committee, forthwith introduced into the legislature of Maryland and Virginia. The committee for Pennsylvania was to postpone action, since it was believed the problem would be simplified by leaving the two states most directly concerned to agree upon the details of a charter which Pennsylvania and Congress could then be asked to confirm.[3]

Virginia had manifested her zeal in the promotion of internal improvements in so many ways within the preceding decade that there could be no reasonable doubt as to her action upon the bill for the incorporation of the Chesapeake and Ohio Canal. But while the questions as to the practicability and urgent necessity of the work remained the

---

[1] Speech of Mr. Mercer in Chesapeake and Ohio Canal Convention, 1823.

[2] "Proceedings of the Chesapeake and Ohio Canal Convention," 1823 and 1826.

[3] *Ibid.*, 38.

same as they had been when the previous charter had been enacted, the fact that the request came now for the state to charter a work avowedly proceeding under national auspices, made the whole situation very different. Only twenty-five years had elapsed since that legislature had fulminated the Virginia resolutions, and now it was asked to incorporate a work whose chief claim to support was that the federal power would be strengthened. There were, however, mitigating circumstances in the case. The General Assembly of Virginia still believed in a strict construction of the Constitution, but the need for the proposed improvement amounted almost to a necessity, besides there was nothing in the charter itself which required the Federal Government to prosecute the work. Finally, if the work was actually to be undertaken by the Federal Government it was not yet too late to procure an amendment to the Constitution. Virginia therefore granted the charter, but insisted upon coupling with her sanction a clear expression of her views on the constitutional question involved. With this qualification, so to say, the act of incorporation was passed, January 27, 1824, scarcely two months after the adjournment of the Convention.[1]

In Maryland the measure failed chiefly through what must be called, for want of a better name, jealousy.

Little or no difficulty had been anticipated in procuring the consent of all the states interested, while in Congress the majority for the "American System" had become large enough to render favorable action practically certain. When however it became known that the General Assembly of Maryland had risen without acting upon the charter, its friends began to realize that their dreams of political concert among powers economically antagonistic were not to become realities, at least for the present. This unexpected blow brought matters up with a round turn, since the spe-

[1] "Laws of Virginia," December Session, 1823, chap. ——; also "Acts, etc., Relating to the Chesapeake and Ohio Canal," 1.

cial committee which had been appointed to prepare a suitable memorial to Congress could do nothing till the charter should be agreed upon by the two states most directly concerned.

The committee for Pennsylvania, which had been instructed to await the action of Maryland and Virginia in order that the affairs of the Potomac Company might be satisfactorily adjusted between those states, was now directed to use all fair means to procure the assent of Pennsylvania to the charter as enacted by Virginia.[1] In case of success there was still time, before the end of the session, to obtain the consent of Congress. But the legislature of Pennsylvania was not more disposed than that of Maryland to be in a hurry. The interests of Philadelphia must be protected; there were internal improvements of a local character from which great things were expected, and the memorial in behalf of the Chesapeake and Ohio Canal must wait. To bring the matter before Congress in that condition was to create a bad impression, so the whole thing was laid over till the next session of the Maryland legislature, when another step in the foredoomed attempt to manage a great economic interest through the fickle agency of politics would be taken.

At length the General Assembly of Maryland was convened, and then it was developed that not only Pennsylvania had a metropolis, but Maryland also must see to it that her own metropolis did not suffer by the state's action in establishing an all-water route from the West to Georgetown instead of Baltimore. Such a route would inevitably bring to Washington by quicker, cheaper and more certain transportation much of that Western trade that had hitherto found its way to Baltimore. Maryland's statesmen did well to hesitate, but their opposition was not obstinate. Baltimore had already become one of the most important sea-

[1] "Proceedings of the Chesapeake and Ohio Canal Convention," 1823 and 1826, 39.

ports of the country and her interests naturally demanded protection. Since the only means by which she could participate in the benefits of the proposed canal was through a branch canal, the right to tap the main line at some convenient point in Maryland or the District of Columbia was the only condition upon which the charter would be confirmed. The condition was readily granted by the Central Committee. With this concession expressly stipulated the Virginia act of incorporation was confirmed by Maryland, January 31, 1825.[1]

More than a year had now passed since the Convention of 1823, and yet the charter which at that time it was thought might be secured in three or four months at most, still lacked the sanction of Congress and the consent of the Potomac Company before the new company could be organized. True, these last steps were generally understood to be little more than forms, but even then the canal could not proceed beyond the western limits of the state of Maryland, because Pennsylvania had twice turned a deaf ear to the appeals of the committee appointed for that state. Nevertheless it was determined to bring the matter, as it stood, before Congress without further delay. A bill confirming the acts of Virginia and Maryland was introduced and promptly passed by that body, March 3, 1825. Almost the last official act of President Monroe was to sign this bill, which, less than two years before, in his famous veto message, he had laboriously proved to be unconstitutional. When, on the sixteenth of May, 1825, the Potomac Company formally gave its consent, there was no longer any legal obstacle to the organization of the proposed company. Finally, the legislature of Pennsylvania passed an act, February 9, 1826, in which, upon numerous conditions, the sanction of that state was given to the canal.

Thus more than two years had been occupied in procuring the legislation which the convention of 1823 had hoped

[1] "Laws of Maryland," December Session, 1824.

for within a few months. But the end was not yet; new difficulties were met at almost every step. It became necessary, therefore, again and again to amend the act of incorporation, and this could be done only through the same tedious, cumbrous process of legislation which had created the charter.

The first of these amendments came in 1827, when Maryland passed an act, February 5, to bring the charter into harmony with the report of the United States Board of Internal Improvement, by allowing the company to terminate the eastern section of the canal "at or near Cumberland," and to substitute inclined planes and railways across the Alleghenies if it be found expedient.[1] But before the amendment could carry any authority the confirmation of Virginia and the Congress of the United States must be secured. Probably that would be no difficult task, but the successful operation of such complicated political machinery requires time under the most favorable circumstances. Virginia acted promptly, confirming the amendment February 26, 1827. Action in Congress was not obtained till May 23, 1828, and by the Potomac Company, July 10, 1828.

A further amendment was enacted by Maryland in 1828, making the stock of the company personal property entitled to all the rights and privileges usually enjoyed by that class of property, and giving to aliens the power to hold the same.[2] Once more the legislative machinery was set agoing and this amendment was confirmed by Virginia February 26, 1828, by Congress May 23, 1828, and by the canal company (which had been organized in June preceding), on the third of July, 1828. Finally, the Potomac Company, which had not yet formally surrendered its charter, gave consent July 10, 1828.

But the canal project had already been long in play as a

[1] "Laws of Maryland," December Session, 1826, chap. 2, sec. 2.
[2] *Ibid.*, 1827, chap. 61, sec. 2.

political foot-ball, and it was now the turn of Virginia. On the twenty-seventh of February, 1829, an amendment was passed regulating the height of bridges which might be built over the canal. Of course, the confirmatory machinery was regularly put in motion, and the amendment, in due process of time, became law. One more amendment Virginia passed, February 13, 1830, giving permission to the stockholders to commence the western section of the canal, and prescribing the conditions under which the work might proceed. Other amendments were passed from time to time as the changing fortunes of the enterprise required, but it is not necessary to carry our chronological summary further. In the next chapter we return to the narrative where it was dropped in Chapter III.

CHAPTER VI.

THE FEDERAL GOVERNMENT ASSUMES CONTROL.[1]

It is necessary at this point to recapitulate the steps by which the Federal Government committed itself to internal improvements of any kind. About 1820 the party in favor of federal public works, seeing little hope of bringing over the administration to the full program of the "American System," began to look about for some specific object upon which the surplus to be produced by a protective tariff might be best expended. The Cumberland road furnished such an object ready prepared to their hand. Made, and more than once prepared, by the Federal Government, why might not this highway be used as the "entering wedge" for a general system of internal improvement, both the need and the possibility of which were being pressed with greater chance of success at each succeeding Congress?

In accordance with this plan Congress passed a bill late in the spring of 1822, making an appropriation for the repair of the Cumberland Road.[2] But once more the bright prospects of the plan were darkened by executive ink. The veto of this bill was followed, May 4, 1822, by Monroe's famous message on the subject of internal improvement.[3] After treating at length the constitutional question, and

---

[1] On the subject of Chapters VI and IX, see "Letter of J. P. Kennedy." Washington, J. and G. S. Gideon, printers, 1844. This letter did not come to my notice till both these chapters had been written. It will be seen that my conclusions are supported throughout by the letter.

[2] "Annals of Congress."

[3] Richardson's "Messages and Papers of the Presidents," II, 144-183.

assuming that he had "demonstrated Congress have not the power to undertake a system of internal improvement," the President urged, in view of the manifest advantages of such a system, that an amendment remedying the defect in the Constitution be at once submitted to the states.[1]

No amendment was ever procured, but the subject was kept constantly before Congress by petitions from the people and by frequent reports of committees in the House of Representatives.[2] Such a report had been heard in the House on the second of January, 1822, in which, however, pleading was more prominent than report.[3] "In what age or nation has the power of improving a country been abused?" asks the report.[4] "No power can be more safely placed in the hands of the people." "Even the unsuccessful attempts at great undertakings have received the admiration of mankind." Such were the arguments dinned into the ears of the House almost without intermission.

But the friends of internal improvement were far from being compelled to rely wholly upon *a priori* arguments. Besides the National Road, which appeared to furnish inexhaustible ammunition, there were the District cities, for whose prosperity Congress must be held directly accountable.

Numerous petitions had been received from the District and from the counties adjacent to the Potomac, praying the aid of the Federal Government in improving the navigation of the Potomac River. The committee on the District of Columbia, therefore, made a report on the third of May, 1822, going into the subject of internal improvements at some length, and claiming that the practicability of a canal in the Potomac Valley was no longer open to serious doubt.[5]

---

[1] Richardson's "Messages and Papers of the Presidents," II, 144-183.

[2] 17th Congress, 1st Session, XI, doc. 111, 1.

[3] *Ibid.*, Reports, etc., doc. No. 98. [4] *Ibid.*, 7.

[5] *Ibid.*, XI., doc. No. 111, 29.

Some time before this a resolution in the House had aimed to procure surveys and estimates for the proposed canal, but the Board of Public Works of Virginia had anticipated such action and the required data were already at hand. Those who, in spite of mathematical calculations, still feared that the Alleghany ridge might prove to be an insuperable obstacle, were referred to the canal of Reynosa in Spain, where a descent of three thousand feet had been triumphantly effected in the short compass of three leagues. One thousand feet of this descent had been accomplished in the well-nigh incredible distance of less than half a league, while the tunnel uniting the Thames with the Severn in England, was as long as that proposed by the Board of Public Works of Virginia to connect the sources of the Potomac with those of the Ohio.[1]

The financial plan rested upon the hypothecation by the Federal Government of the lots for sale in the cities of the District of Columbia. On this security the government might borrow two and a half millions for which it was believed the canal could be made, and with the completion of the work in three years, the advance in the value of the lots would more than repay the loan.[2]

With the assembling of Congress in December, with its clear majority for the "American System," there came also a good omen for internal improvement from a quarter whence it might have been least expected. The President, in his annual message, notwithstanding that his plea for constitutional amendment had not been heeded, returned to the subject of the Cumberland Road, declaring that if Congress had power to make the road it surely had power to keep it from going to ruin. Then followed this significant expression: "Under our happy system the people are the sole and exclusive fountain of power."[3] If the people were

---

[1] Benton's "Debates of Congress," VII, 448.
[2] 17th Congress, 1st Session, XI, doc. 111, 7, 8.
[3] Richardson, II, 191.

bent upon a system of internal improvement under federal control and at the charge of the federal treasury, why should their chief executive do more than had already been done to prevent the accomplishment of their purpose? It was evident to all thinking men that Monroe had come over to the side of the majority.

In May Congress had been told that authority for its acts must be found in the Constitution, and that the Constitution gave them no power to appropriate money for internal improvement. In December it is the people who are "the sole and exclusive fountain of power," and the Federal Government is at last ready, after a fruitless struggle of more than fifteen years, to undertake a gigantic system of internal improvement reaching every section of the country from Maine to Florida and involving the ultimate expenditure of millions of dollars. The estimates were nearly double the entire annual expenses of the Federal Government at that time.

In this state of affairs it seemed to the friends of the Potomac route that only one thing more was necessary in order to have Congress assume definite responsibility for the proposed canal. That one needful thing was the demand of the people. During the following summer were held the numerous public meetings in which the convention of 1823 originated. The enthusiasm which that convention discovered in favor of a canal to unite the waters of the Potomac and the Ohio furnished the required popular approval. The President was now without grounds for further hesitation, and in his annual message of December, 1823, he recommended that Congress "authorize by an adequate appropriation the employment of a suitable number of the officers of the corps of engineers to examine the unexplored ground during the next season and to report their opinion thereon.[1]

As a sort of preamble to this radical departure from the

[1] Richardson, II, 216.

previous policy of the government, Monroe summed up under three main heads the strongest arguments of the internal improvement party, and then added a plain statement of his own position in the matter. Monroe's words may be regarded as the platform upon which the Federal Government proceeded in all that was done in the matter of internal improvement, and as the highest authority on the subject. Monroe at that time was not arguing for an indefinite system of internal improvement, but was setting forth the reasons why the Federal Government should construct the Chesapeake and Ohio Canal. The summary is as follows:

First, "A great portion of the produce of the very fertile country through which it would pass would find a market through that channel."

Second, "Troops might be moved with great facility in war, with cannon and every kind of munition, and in either direction."

Third, "Connecting the Atlantic with the Western country in a line passing through the seat of the National Government, it would contribute essentially to strengthen the bond of union itself."

For such a national object as this Congress possessed the power, Monroe believed, to appropriate money, on condition that the jurisdiction remain with the states through which the canal might pass.[1]

The Twenty-third Congress had a good working majority in favor of the "American System" and was, therefore, not slow to act upon the President's suggestion. On the ninth of December a resolution to refer the subject of roads and canals to a standing committee was adopted by a vote of eighty-six to seventy-seven.[2] The committee was immediately appointed, and on the fifteenth of December a bill was introduced appropriating thirty thousand dollars "to procure the necessary surveys and estimates on the subject of

[1] Richardson, II, 216. [2] "Annals of Congress," vol. 1823–24, 808.

roads and canals."[1] On April 30, 1824, this bill, having passed both Houses of Congress, received the approval of the President.

Monroe, without delay, appointed a chief and two assistant engineers, primarily for the purpose of procuring surveys and estimates for the Chesapeake and Ohio Canal. Thus the United States Board of Internal Improvement grew directly out of the Chesapeake and Ohio Canal project and the United States Government became committed to the prosecution of the greatest public work which had up to that time engaged the attention of men.

---

[1] "Annals of Congress," vol. 1823–24, 828, 829.

CHAPTER VII.

THE UNITED STATES GOVERNMENT SURVEY AND ESTIMATE FOR THE CHESAPEAKE AND OHIO CANAL.

The person selected to be chief of the United States Board of Internal Improvement was General S. Bernard, a Frenchman, who had been for some time virtually at the head of the corps of United States engineers, though with the title of assistant. He was recognized as one of the foremost engineers of his time. His assistants were Lieutenant-Colonel Totten, of the corps of engineers, and John L. Sullivan, Esq., civil engineer.[1] Besides these three, a considerable number of army engineers and civil surveyors were attached to the board.

Up to this time, it is true, the Chesapeake and Ohio Canal had not been mentioned by name in the proceedings of the Federal Government. But if what has been already related could leave any doubt as to what, in the plans of the Federal Government, really constituted, for immediate and practical purposes, the "system" of roads and canals about to be undertaken, that doubt disappears in the light of the directions which were to guide the board in their work. These directions were as follows: "The board will proceed to make immediate reconnoissance of the country between the tide-waters of the Potomac and the head of navigation on the Ohio, and between the Ohio and Lake Erie, for the purpose of ascertaining the practicability of communication between these points, of designating the most suitable route

---

[1] See letter of General Macomb, May 31, 1824, printed in Senate Document No. 32, 8, 18th Congress, 2d Session.

for the same and of forming plans and estimates in detail of the expense of erection."[1] Then the board was urged to push the work on this important line in order to have a report ready for the next session of Congress.

For two successive years more than half the entire appropriation for surveys was expended on the Potomac route alone,[2] while little was done on any other line beyond a reconnoissance upon which future surveys might be based. Following the directions of his superior, Chief Engineer Bernard turned his attention almost exclusively to the Chesapeake and Ohio Canal. In July, 1824, was completed the organization of three brigades of engineers, two of which were assigned to the summit of the Alleghanies, and the third to the valley of the Potomac.[3]

The parties assigned to the mountains were not able to complete their portion of the work until the next season. In the valley of the Potomac fever soon disabled both officers and men, therefore little was accomplished there before 1825. In that summer the engineers were in the field in April, three brigades east of the Ohio River and one between Pittsburg and Lake Erie.[4]

The character of the survey and estimate made for the Chesapeake and Ohio Canal by the United States Board of Internal Improvement can only be appreciated fully when it is remembered that the chief of the board was a military engineer of the first rank, who, according to his long-established custom, did his work with little reference to temporary or economic considerations. Fully alive to the national significance of the proposed work General Ber-

---

[1] 18th Congress, 2d Session, Senate Doc. No. 32.

[2] 19th Congress, 1st Session. See table at the end of Document No. 149.

[3] Letter of General Bernard to General Macomb, December 26, 1825, printed in "Proceedings of the Chesapeake and Ohio Canal Convention," etc., 58–60.

[4] See the MSS. report of this survey in the War Department, Washington.

nard proceeded on precisely the principles which had guided him so recently in the construction of Fortress Monroe. He did the United States the honor to believe that Congress was perfectly serious in its intentions; that the country was entirely competent from a financial point of view, and was about to construct a work which was to be the pride and glory of the nation for generations to come.[1]

The plans for the surveys were as follows:

"The complete project of a canal requires great researches and careful investigation of its smallest details."

I. There must be the general reconnoitering of the ground.

II. An exact survey must be made to determine accurately the topography of the region to be traversed, as well as differences of level and water supply.

III. Exact drawings of the work must be made and the cost of the construction accurately calculated.[2]

Upon these principles and guided by the work of previous surveyors, especially that of Mr. James Shriver on the summit of the Alleghanies in the summer of 1823, the surveys went slowly forward, and on the fourteenth of February, 1825, the results of the previous season's work were transmitted to the President and by him were laid before Congress.

The projected canal was described in two parts:

I. The Chesapeake and Ohio Canal proper, extending from tide-water in the Potomac to Pittsburg on the Ohio.

---

[1] See "General Considerations" upon the conclusion of the work of the Board of Internal Improvement, Document No. 10, 19th Congress, 2d Session. State Papers, II, 63–80.

[2] 18th Congress, 2d Session, Senate Doc. No. 32, 14.

[3] See elaborate report of Mr. Shriver's work, entitled "An Account of Surveys and Examinations, with Remarks and Documents, Relative to the Projected Chesapeake and Ohio and Lake Erie Canals." By James Shriver, Baltimore, 1824. The work is accompanied by a map of the summit level region, which differs somewhat from the plan prepared by the Board of Internal Improvement.

II. The Ohio and Erie Canal, extending from Pittsburg through either Ohio or Pennsylvania to Lake Erie.

The Chesapeake and Ohio Canal proper was subdivided into three sections:

I. The eastern section, extending from tide-water in the Potomac to the mouth of Savage River.

II. The middle section, extending from the mouth of Savage River to the Youghiogheny River at the mouth of Bear Creek.

III. The western section, extending from the mouth of Bear Creek through the valley of the Youghiogheny to Pittsburg.

In the eastern section the canal was to follow the north bank of the Potomac. The surveys and estimates were completed accordingly and the canal was located by the United States engineers on the Maryland shore.

The middle section was, naturally enough, found to present the greatest difficulties to be met with in the entire project. This section included the summit level of the canal, offering at the same time the greatest elevation to be overcome and the scantiest supply of water. To this section, therefore, the board had devoted most of its energies during the season of 1824. Here it was that the surveyors were visited about the middle of September, 1824, by Mr. Calhoun, then Secretary of War, under whose supervision the work had been undertaken.[1]

The summit level had been established at a bridge across Deep Creek, and here, in the presence of their distinguished visitor, the engineers carefully measured the supply of water. It was found that there was enough water to fill a lock sixty feet long, twelve feet wide and ten feet deep in thirteen minutes, notwithstanding the season had been unusually dry. From that time the question of water supply, which had occasioned much uneasiness on the part of the friends of the project, was considered as finally settled.

---

[1] *Niles' Register*, 3d Series, III, 53.

The most important work done on this section was the tedious, careful comparison of routes in order to determine the best location for the tunnel which was known to be required. The results of the summer's work seemed to point to what was known as the Youghiogheny Route, by way of Savage River, Crabtree Creek and thence by tunnel from a small branch of Crabtree Creek to a small branch of Deep Creek, on the western side of the ridge.

In 1824 the western section had received little more than a preliminary examination. It was then determined that that part of the canal should lie on the right bank of the Youghiogheny and the Monongahela. It was noted that this section would require some expensive work, such as aqueducts and deep cuts, but there was no question of its ultimate practicability. Contributary streams to theYoughiogheny and Monongahela were closely observed and a favorable location for at least one branch canal selected.

While the brigades of Captain McNiell and Captain Shriver were thus respectively employed on the eastern and western side of the summit level, members of the Board of Internal Improvement were making an examination of the Ohio country. This part of the project, described in the report as the "Ohio and Erie Canal," was subdivided into (1) the southern section, extending from Pittsburg to the summit level on the watershed between the Ohio and Lake Erie, and (2) the northern section, extending from the summit level to Lake Erie, near the mouth of the Ashtabula.

For this part of the canal four possible routes were examined, but they differed in little except the location of the summit level, a practical question which would have to be determined ultimately by the water supply. In any case the route would lie by way of the Ohio to the mouth of Big Beaver Creek, and thence, probably, along the valley of that stream to the summit level.

From the summit level to Lake Erie the routes differed considerably. Cleveland was suggested as the northern terminus of the great work, on the ground that an earlier

opening would be possible in the spring. But the final recommendation was in favor of the mouth of Ashtabula Creek, on the ground of economy—shorter route and less lockage.[1]

Notwithstanding the name, "Ohio and Erie Canal," this section was none the less understood to be merely a part of the Chesapeake and Ohio Canal, "forming part of that noble line of artificial communication which will join the vast regions of our Northern Lakes with the Capital of the Republic."[2] The indefinite character of the information contained in the report, however, did not warrant congressional enactment, and so the matter was postponed.

April, 1825, found four brigades of engineers in the field, three on the Chesapeake and Ohio Canal proper, and one on the Ohio section just described.[3] All through that season the work went slowly forward. Again Congress met and again there was no official information or report upon which to base intelligent action. As the session wore to its close without any report from the engineers, the friends of the project began to grow restless. To anxious letters of inquiry[4] the

---

[1] Since this part of the project was carried no further, a summary of the route gathered from the MSS. report in the War Department at Washington may be of interest:

	Length in Miles	Summit Level above Lake Erie in Feet	Total Lockage in Feet
Champion Swamp Route, . .	115	342	557
The Long Route, ...	140	470	749
Connert Route, ...	113	470	803

The Connert route was recommended by the Commissioners. See 18th Congress, 2d Session; Senate Document, No. 32, 55.

[2] "Report of the United States Board of Internal Improvement." Printed as Senate Document No. 32, 18th Congress, 2d Session, 53.

[3] Letter of General Bernard to General Macomb, December 26, 1825. Printed in "Proceedings of the Chesapeake and Ohio Canal Convention," Washington, 1823 and 1826, 59, 60.

[4] See copies of letters from Mr. Mercer, printed in "Proceedings, etc." Note 2, Appendix.

chief engineer, General Bernard, replied that estimates of such importance could not be grounded upon conjecture and misleading analogies, for there were no canals "to be compared in magnitude and difficulties to be overcome, with the Chesapeake and Ohio Canal." [1]

Finally, however, on the twenty-first of March, 1826, Bernard was induced to give the results which had, up to that time, been obtained by the board with reference to the eastern section, *i. e.*, from Cumberland to Georgetown. This section, as drafted by the United States Board of Internal Improvement, was to cost, in round numbers and exclusive of the item of contingencies, what was for that time the enormous sum of eight million eighty-five thousand dollars.

The publication of the board's estimate, in the spring of 1826, marks a turning point in the history of the Chesapeake and Ohio Canal. Up to that time the most liberal estimate for the eastern section had stood at two million seven hundred and fifty thousand dollars. The friends of the project had first hoped to begin the work of construction in the spring of 1825, only to find themselves disappointed by the slow processes of politics. Taking courage again they had confidently looked forward to the spring of 1826 for tangible results. Now they were dismayed. They saw that the work simply could not proceed in the face of such an estimate, and there was not sufficient time left to obtain a revised estimate before the end of the session of Congress. However, when it was learned that the General Assembly of Maryland had passed an act subscribing five hundred thousand dollars to the stock of the proposed company, the Central Committee thought it worth while to memorialize Congress without further delay. From this source the committee expected to realize one million dollars. The memorial was referred and a favorable report was obtained, Mr. Andrew Stewart, of Pittsburg, one of the leaders of the project, being at that time chairman of the

[1] Letter of General Bernard, cited in note 2, 60.

House Committee on Roads and Canals.[1] But the project got no farther, for, a few days later, Congress adjourned.

The ambitious project for a canal through the heart of the young republic had, after four years of hopeful struggle, at last stuck fast in a slough of figures unwittingly prepared by the friends of the enterprise. The time had come for decisive action. The friends of the enterprise decided upon heroic measures. They would call another meeting of what had been known since 1823 as the Chesapeake and Ohio Canal Convention, prove that the estimate of the United States Board of Internal Improvement was too large by half, procure, besides private subscriptions to the stock of the company, a million dollars from Congress, a million and a half from the District cities—Washington, Georgetown and Alexandria—and, with something less than four million dollars in sight, including private subscriptions, proceed with the construction of the canal.

But for one element of weakness which the friends of the enterprise seem never to have taken sufficiently into account, this plan would probably have succeeded. That element of weakness was the delay involved. Delay was necessary to the execution of the plan, and delay meant defeat, because both in Maryland and in Congress the canal's chief sources of strength, the forces which ultimately led to defeat, were rapidly gathering head and needed only time to develop their full strength. In 1826 a new Congress was elected and the "American System" was doomed. In that same year prominent business men of Baltimore were diligently investigating a new system of transportation which, under the competition of John Ericsson, better known as the inventor of the "Monitor," and George Stephenson, of locomotive fame, was just passing through its experimental stage on the Liverpool and Manchester Railroad in England.

---

[1] "Report of Mr. Stewart on the Chesapeake and Ohio Canal." Washington, 1826.

CHAPTER VIII.

THE CONVENTION OF 1826 AND THE REPORT OF MESSRS. GEDDES AND ROBERTS.

The report of the United States engineers was not ready for publication in detail till October, 1826. Whatever may be said of the failure of the project, the canal as constructed on paper was a marvel of ingenuity and scientific skill. Scarcely a detail in the entire work from Washington to Pittsburg was omitted. Every item of cost was included by name even to the fraction of a cent.[1]

The water-way of this famous report lay on the north bank of the Potomac from Georgetown to Cumberland, every foot of the canal having been surveyed and definitely located. From Cumberland it proceeded by way of Will's Creek to the mouth of Bowman's Run.[2] It then crossed the highest ridge of the Alleghanies by a tunnel and descended in succession the valley of Casselman's River, the Youghiogheny and the Monongahela, terminating at Pittsburg.[3] The total estimate was something over twenty-two million dollars.[4]

---

[1] It is an interesting coincidence rather than a logical result that the part of the canal afterwards constructed from Georgetown to Cumberland cost almost to the dollar the sum named by the United States engineers in this report.

[2] It will be observed that the route of the canal westward from Cumberland was changed from the Youghiogheny route of the preliminary report to the Casselman's River Route in the complete report; also Cumberland and not the Coal Banks is to be the terminus of the Eastern section.

[3] "Report of the United States Board of Internal Improvement," October 26, 1826. Executive Document No. 10, 22.

[4] Summary of the report is as follows:

	Miles.	Yards.	Lockage ft.	No. Locks.	Estimated Cost.
Eastern Section,	185	1078	578	74	$8,177,081.05
Middle "	70	1010	1961	246	10,028,122.86
Western "	85	348	619	78	4,170,223.78
Totals,	340	2436	3158	398	$22,375,427.69

Meanwhile the Central Committee and the commissioners to open books for subscriptions to the stock of the company had united in calling another meeting of the Chesapeake and Ohio Canal Convention. In pursuance to this call the delegates reassembled in Washington December 6–9, 1826. The chief business of the Convention was the consideration of the final report of the United States engineers with a view to reduce their estimate of cost to a practicable figure. The Convention proved to its own satisfaction that, when the errors of the United States engineers were corrected as to the actual cost of labor and materials, the Georgetown-Cumberland section of the canal could be constructed for less than five millions of dollars, without changing the great width and durability of the canal recommended by the report.

If the friends of the enterprise had accepted this revision as final the work might have been commenced at least as early as the spring of 1827 with still a possibility of success. Instead of that, however, it was decided that an entirely new survey and estimate, at least of the Georgetown–Cumberland section, must be made. In March, therefore, upon the request of some twenty or more members of Congress, President Adams appointed Mr. James Geddes and Mr. Nathan S. Roberts, of the topographical engineers, to survey again the entire route from Georgetown to Cumberland, and to revise the estimate of the Board of Internal Improvement on the basis of actual wages and current prices for materials.[1]

---

[1] Just before the Convention of 1826, Mr. Lacock, a United States Senator, and a practical contractor as well, in answer to an inquiry from Mr. Stewart wrote: "My project would be this: Make a lock and canal navigation from Washington City to Cumberland; take the National Road as your portage road until you come to the Little Crossings, twenty-two miles from that point; make canal and lock navigation to Pittsburg. * * * Of this I am positive, that this improvement could be made for less than six millions of dollars, and that in a very short time you would have as much freight upon your

This revision was accomplished during the season of 1827 and the report of Messrs. Geddes and Roberts was transmitted to Congress on the tenth of March, 1828.[1] According to the revised estimate in this report the eastern section was to cost $4,479,346.93. The project had been rescued from the realms of imagination and there would be a Chesapeake and Ohio Canal! It was a gala day for the friends of the enterprise and enthusiasm rose to a high pitch.

---

canal as could be passed through one set of locks, * * * I am very willing to undertake the Eastern section at my old bid, two and a half millions. * * * There is nothing wanting but to give up everything that is enormously expensive in the project, and adopt what is within the means at your command." See "Proceedings, etc., of the Chesapeake and Ohio Canal Convention," 1823 and 1826, 105.

The Eastern section afterwards cost the state of Maryland alone $11,279,836.94. See "Report to the Stockholders on the Completion of the Chesapeake and Ohio Canal to Cumberland," 154. Here is certainly food for reflection.

[1] State Papers, V., Doc. 192, 20th Congress, 1st Session.

CHAPTER IX.

THE CHESAPEAKE AND OHIO CANAL AS A NATIONAL ENTERPRISE.[1]

After long waiting and many disappointments the commissioners who had been appointed by the President of the United States and the Governors of Maryland and Virginia to open books for the subscriptions of stock, finally made their announcement, August 20, 1827. In accordance with the notice then given subscription books were opened, October 1, 1827. In less than a month and a half there had been subscribed, independently of the debts of the Potomac Company, the sum of one million five hundred thousand dollars.[2] This sum was sufficient, under the provisions of the charter, to permit the organization of the proposed company. But Congress had not yet acted. For several years past everything had waited upon the action of the Federal Government, and now, on the point of realization of hopes so long deferred, came the fatal delay, the final waiting for the support of Congress, which assured the defeat of the whole great enterprise.

Had the company been organized in November, 1827, and actual work pushed from the earliest spring of 1828, there was unquestionably a chance of reaching Cumberland before the accumulated enthusiasm of years had become entirely exhausted. But the Federal Government had taken up internal improvement and the Chesapeake and Ohio Canal project was to be made the irrefutable proof of the folly of such a course.

---

[1] See Chapter VI, note 1.

[2] "Maryland Court of Appeals Reports," 4 Gill and Johnson, 57.

At length, May 24, 1828, the action of Congress directing the Secretary of the Treasury to subscribe for ten thousand shares of the stock of the Chesapeake and Ohio Canal Company, was approved.[1] The act directs the subscription to be paid out of the dividends accruing to the United States on account of the stock of the United States Bank. The privilege of voting the stock of the United States was conferred upon the Secretary of the Treasury.

On the same day an act was approved giving the sanction of Congress to any subscriptions which had been made, or might be made, to the stock of the proposed company by the cities of Washington, Georgetown and Alexandria.[2]

Washington had already subscribed ten thousand shares and soon Georgetown and Alexandria each subscribed twenty-five hundred shares. The financial support which the Chesapeake and Ohio Canal Company received from the Federal Government must, therefore, be reckoned not at one million dollars but at two and a half millions. What grounds had Congress for expecting that towns such as those of the District were in 1828 could hope to meet even the interest on such vast sums? Compare, for instance, the action of Shepherdstown, West Virginia, with that of the District cities. This thriving little town, wide awake to the interests of commerce, and acting entirely upon its own responsibility, subscribed twenty shares.

The District cities, it is true, looked for rapid growth under the impulse which the proposed improvement was expected to give to trade. Perhaps, also, the smallest of these cities was financially stronger than Shepherdstown, but it cannot be supposed that either Georgetown or Alexandria was one hundred and twenty-five times stronger.

However that may be, the fact remains that the loan which the District cities and Alexandria negotiated in Holland to meet their subscriptions, was finally liquidated by the

---

[1] "Debates of Congress," vol. 1827–8, Appendix, xxvii.
[2] *Ibid.*, xxvii, xxviii.

Federal Government, though not till 1837. If this should leave any doubt as to the national character of the enterprise, that doubt ought to be dispelled by recalling the attitude of the Federal Government toward the project from its very inception. So important is this point that it seems worth while to repeat here in briefest outline, the previous development of the project.

The practicability of connecting the waters of the Potomac with those of the Ohio had been first suggested in 1820,[1] in a report of the chief engineer of the Board of Public Works of Virginia. From that time petitions were frequently sent to Congress praying for aid in clearing the channel of the Potomac for navigation. On the third of May, 1822, the Committee on the District of Columbia made a favorable report on the numerous petitions which had been received, and called the attention of Congress to the practicability of connecting the seat of government with the Western country by means of a navigable canal. This report may, in a certain sense, be regarded as the origin of the Chesapeake and Ohio Canal project. It is true that the House Committee on Roads and Canals had made a report in January, 1822, urging the Federal Government to take up the matter of internal improvement. Moreover, the report of the Committee on the District of Columbia was itself one of the results of a still earlier report of the chief engineer of the Board of Public Works of Virginia, while this last in turn had been brought about by the failure of the Potomac Company. But it may also be correctly said that none of these earlier reports had clearly in view what was later undertaken by the Federal Government as the Chesapeake and Ohio Canal.

On the other hand, the report of May 3, 1822, points unmistakably to the canal project as finally adopted, and at the same time led directly to the calling of the Convention

[1] "First Annual Report of the Chesapeake and Ohio Canal Company," Appendix, xxiii.

of 1823.[1] By that Convention the President of the United States was interested, and at his suggestion the survey act of April 30, 1824, was passed. With the passage of that act the Federal Government may be fairly said to have committed itself to the Chesapeake and Ohio Canal project. From that time the action of the United States determined the fortunes of the enterprise. For example, the committee which had been appointed by the Convention of 1823 to interest the legislature of Ohio, was at once directed to postpone action in view of the fact that the entire route was to be surveyed by United States engineers.[2] More than that, the work had been so well managed by the Central Committee that subscriptions to the stock of the company might have been solicited a year and a half earlier than the books were finally opened, but nothing could be intelligently done till the estimates of the United States Board of Internal Improvement could be obtained.[3] Another year was lost in the revision of these estimates, so that it was not till May 4, 1828, that the action of Congress opened the way for the legal organization of the company. Notice was promptly given and on the twentieth of June, 1828, the stockholders met to elect a president and six directors. Mr. Charles Fenton Mercer,[4] of Virginia, was chosen president.

Most elaborate arrangements were made for the ceremony of breaking ground for the first great work of national improvement. The spot chosen was near a powder magazine

---

[1] "First Annual Report of the Chesapeake and Ohio Canal Company," Appendix, xxiii.

[2] "Proceedings of the Chesapeake and Ohio Canal Convention," 38.

[3] 20th Congress 1st Session, February 11, 1828, Report No. 141, 50–59.

[4] Mr. Mercer had been the moving spirit in the Leesburg meeting, the first public meeting held in the interest of the canal project. From that time forward few if any had labored so persistently or so effectively as he. His presidency continued for five years, lacking fifteen days. For the period of Federal interest and encouragement, about ten years, Mr. Mercer was the soul of the project.

at the head of the Little Falls,[1] about five miles west of Georgetown, and accessible by boats up the Potomac.

Among those invited to attend the ceremonies on the Fourth of July, 1828, were the President of the United States, the Secretary of the Treasury, the Secretary of War, the Secretary of the Navy, the Postmaster General, the Minister of Great Britain to the United States, the Russian Minister and Secretary of Legation, the Minister of the Netherlands, the Chargé d'Affaire of Sweden, the Brazilian Secretary of Legation and the Vice-Consul General of France, comprising all the representatives of foreign powers at that moment in Washington.

The morning appointed for the exercises broke clear and beautiful. The procession formed at eight o'clock near Bridge street, whence the line of march led to High street, accompanied by the music of the Marine Band. Once aboard the Potomac River boats, the short voyage to the Little Falls was made without important incident.

A great concourse of people had gathered to witness the doings of that day, many even climbing into the neighboring trees in order to command a better view. When the spot where the first spadeful of earth was to be taken up had been selected, and a little space cleared of the crowd, President Adams stepped forward and delivered an oration appropriate to the occasion. Among other things, he said, "I regard this event the most fortunate incident in my life." Then, taking from Mr. Mercer, president of the company, the spade which had been provided, the President struck it vigorously into the ground. The spade caught on a root and refused to bring up earth, whereupon the last of the dignified, old-school Presidents, threw off his coat, and amidst the applause of the assembled thousands, with music by the band thrown in, proceeded with that determination which, he declared, should characterize the efforts of the

[1] "MS. Proceedings of the President and Directors of the Chesapeake and Ohio Canal Company," July 1, 1828.

company, to begin the excavation of the eastern section of the canal. The work was completed a little more than twenty-two years later.

The return down the Potomac was made in the midst of general rejoicing and goodfellowship. At the collation which was served on board boat, the President of the United States proposed the following toast: "To the Canal: Perseverance." The toast proposed by the president of the company was, "The Constitution of the United States." The Secretary of the Treasury proposed: "The Chesapeake and Ohio Canal."[1] Thus, under the immediate auspices of the Federal Government, and with high hopes, was begun the historic Chesapeake and Ohio Canal.

The company's charter required one hundred miles of the canal to be opened for navigation within three years from the time work was commenced. On that propitious Fourth of July there were good reasons for expecting the entire eastern section of the canal to be completed before the end of that time.

Contracts were soon closed for forty-three miles of the canal, but the difficulty of getting laborers was so great that arrangements had to be made to import them from Europe. "Meat three times a day, a plenty of bread and vegetable, with a reasonable allowance of liquor and eight, ten or twelve dollars a month for wages would, we have supposed, prove a powerful attraction to those who, narrowed down in the circle of their enjoyments, have at this moment a year of scarcity presented to them,"[2] writes Mr. Mercer to the United States Consul at Liverpool. At the same time half a dozen copies of a suitable advertisement were sent to be published in Dublin, Cork and Belfast. Notices were also sent to Holland.[3]

---

[1] For full description of the ceremonies in connection with the breaking of ground, see *Niles' Register*, XXXIV, 325–8.

[2] MS. Letter Book, Chesapeake and Ohio Canal Company, 1828–1832, 39.

[3] *Ibid.*, 41.

Plans, too, were already on foot for opening books of subscription to the stock of the company in Great Britain and on the continent.[1]

Before March, 1829, the whole forty-eight miles of canal between Georgetown and Point of Rocks had been let to contractors and before the first of May, 1829, more or less work had been done on all the five residencies into which that section had been subdivided.[2] The cost of the work up to that date had amounted to $131,168.94. From the first of May to the first of August, 1829, further work was done to the amount of $164,569.96, making a total of $295,-738.90, or about one-fourth of the work necessary to open that section of the canal to navigation.[3]

The advertisement for foreign labor had meanwhile met with satisfactory responses. In July Mr. Mercer wrote to Mr. Maury in Liverpool to have emigrants embarked in time to reach America in September or October, since by that time "the autumnal fevers in the Potomac Valley, when any occur, are over, and there are still three months for labor."[4] In order to further expedite matters, Mr. Henry B. Richards was engaged as an agent of the company and sent to Liverpool to deal directly with any who were willing to emigrate.

Before October the foreigners began to arrive, and for awhile wages fell according to the expectations of the company. But on the whole the season of 1829 had proven most unfavorable to the enterprise. Fevers became so prevalent that some of the contractors were compelled to withdraw temporarily,[5] and it was late in the autumn before the various gangs were again reported in good condition.[6]

---

[1] MS. Letter Book, Chesapeake and Ohio Canal Company, 1828–1832, 40.

[2] MS. Letter, Mr. Mercer, March 7, 1829.

[3] "First Annual Report of the Chesapeake and Ohio Canal Company," Appendix, table between xxii and xxiii.

[4] MS. Letter, Mr. Mercer, July 8, 1829.

[5] MS. Letter, Secretary of the Company, August 24, 1829.

[6] "Second Annual Report of the Company," 6.

The immigrants were brought over at the expense of the company for the most part, a sort of return to the indenture system of early Virginia, since the laborers were compelled to sign a strict contract before leaving Europe. And when the laborers arrived on the ground there was a re-enactment of the scenes which had so irritated Captain John Smith at Jamestown just about two hundred years before. The newcomers were often idle and quarrelsome, while the laws of free America were found ill adapted to such conditions,—conditions, it should be remarked, which those laws were neither intended nor expected to cover.

Insubordination and general disorder became common. The contracts which the laborers had been compelled to sign could not be enforced, while in some instances the laborers ran away and were brought back only at great expense, if indeed they could be captured and returned at all.[1] In October a party of these indentured derelicts was arrested in Baltimore, but a mob gathered about the officers and aided the captives to escape.[2] Toward the end of October the "Shenandoah" arrived in the Potomac bringing "a hundred and seventy-six more of the plagues." After that the importation of labor was ordered to be stopped until further notice.[3]

So late as the middle of October physicians were regularly employed by the company to attend the sick, who were to be formally reported to the "Superintendent of Imported Laborers" as soon as they should recover. The weather, however, permitted the continuation of the work far into the winter, and on the twenty-eighth of November there were thirteen hundred and sixty-six men, "besides the usual proportion of other force," employed on the three "Residencies" into which the distance between Georgetown and Seneca had been divided. This section of

[1] "Second Annual Report," June 7, 1830, 5, 6.
[2] MS. Letter, Secretary of the Company, October 26, 1829.
[3] *Ibid.*

the canal between the Little Falls and Seneca the company expected to open to navigation by the first of June, 1830.[1]

Before the work closed for the winter the expenditures had reached the sum of $560,750.63, or nearly half of the cost of the canal from Georgetown to Point of Rocks. But for some time past the work had been restricted to the section below Seneca because from that point westward there was to be no supply of water till Harper's Ferry should be reached.[2]

It further turned out that the section below Seneca could not be opened on the date expected, though three-fourths of all the work between Georgetown and Point of Rocks had been completed. But in November, 1830, the section from Seneca to the old locks of the Potomac Company at Little Falls through which it was possible to reach tide-water, was opened to navigation. The distance from Georgetown to Seneca is about twenty miles. Early in the spring of 1831 the canal was opened a mile below Little Falls, and with the further extension of a mile a little later, the work was brought in sight of Georgetown.[3]

With the practical completion of these twenty miles of the canal in the summer of 1831, another phase of the history of this ill-starred enterprise is introduced. The force in the employment of the company had already been greatly reduced more than a year before, while still further reductions had just taken place, with a prospect of bringing the work to a complete stop, pending a decision in the controversy with the Baltimore and Ohio Railroad Company.[4]

---

[1] MS. Letter, Secretary of the Company, December 12, 1829.
[2] *Ibid.*, December 14, 1829.
[3] "Third Annual Report," 5.
[4] *Ibid.*, 30.

CHAPTER X.

CANAL AGAINST RAILROAD.

From a small settlement on the banks of the Patapsco in 1729, Baltimore had become in 1829 a flourishing commercial center. The largest flour market in America, her trade in general compared favorably with that of Philadelphia, and had even kept pace fairly well with that of New York. As the western country began to claim more and more the attention of the cities on the coast a business rivalry naturally sprung up among them, especially for the promising trade of the region between the Ohio and the Great Lakes. It had been noticed as early as Washington's day that the traffic from that area must, under the conditions which existed until 1803, pass by way of the Great Lakes and the state of New York, or by way of the Potomac to the Chesapeake Bay.

It was not strange, therefore, that as early as the beginning of the present century New York, Philadelphia and Baltimore were each pushing one or more independent enterprises for the improvement of transportation facilities to the West.[1] Now the manifest advantage of Baltimore in the race lay in the fact that her distance from the goal was some fifty or sixty miles less than that of Philadelphia, and between one hundred and two hundred miles less than that of New York.[2] Such a difference in distance has not been sufficient under the transportation systems developed in the present century to decide which should be the metropolis, but when the average cost of transporting a bushel of wheat

[1] "Report of the Secretary of the Treasury on the Subject of Roads and Canals," Washington, 1808, 46–48.

[2] *Ibid.*, 23.

was about a quarter of a cent a mile, a small difference might well have determined which should be the chief seaport for the produce of the interior.[1]

But there was another thing which appeared to favor Baltimore as the metropolis of the future. The National Road was already making its way westward from Cumberland, while from that place by way of Frederick to Baltimore roads were soon in such a condition as to offer the best transportation by land then known.

Yet by the middle of the second decade of this century the commercial states of the Union had become saturated with the canal idea, and Baltimore was not fortunately situated for canal communication with the West. On the other hand New York, before 1820, was pushing the Erie Canal across that state to the Great Lakes, while Philadelphia with a sort of mongrel sluice and river navigation was reaching out toward Pittsburg and the Ohio valley. If, therefore, canals were to furnish the transportation of the future, there was little promise that Baltimore would be really in the race at all, for there was no considerable river valley connecting Baltimore with the distant interior. It is true that the Potomac was only forty miles distant with comparatively level country intervening, but Baltimore very correctly judged that a canal in the Potomac Valley would do much more to build up for her a rival on the lower Potomac than it would do for the development of her own trade. Hence, when the bill for incorporation of the Chesapeake and Ohio Canal had first come before the General Assembly of Maryland the state refused its assent on the ground that the charter did not expressly give Baltimore the right to participate in the advantages of the canal through a branch canal to terminate in that city. But in this a very pardonable local jealousy had, perhaps, gone rather far, for there appeared to be no disposition whatever on the part of the promoters of the canal project to localize its advantages.

---

[1] "Annals of Congress," 1810, II, 1394.

The people of western Maryland, however, began to be interested in the canal because it would furnish them direct and cheap transportation for their produce. Meetings were held in the interest of the canal with a desire to influence the General Assembly. At one of these meetings held in Frederick in the fall of 1825 it was decided to hold a general convention in Baltimore. By that time the Erie Canal had been opened in New York, the Federal Government was pushing its survey of the Chesapeake and Ohio route, and it began to look as if Maryland must get into line pretty quickly or be left practically without communication with the West. Under such conditions internal improvement naturally became a political issue. There was a sort of general rising throughout the state. Accordingly when the internal improvement convention which had been called by the Frederick meeting met in Baltimore December 14, 1825, a memorial was drawn up and presented to the General Assembly requesting a state subscription to the stock of the canal company.[1] The privilege of a branch canal to Baltimore had been granted, and as no other means had yet appeared by which Baltimore might hope to participate in the Western trade, the General Assembly was urged to act at once while the co-operation of the United States might be secured. What the General Assembly did for the Chesapeake and Ohio Canal at that time has already been related. It is needful to recount here only what was done to enable Baltimore to compete for the Western trade on equal terms with the other cities of the coast.

In view of the importance which internal improvement had assumed for Maryland and especially for Baltimore the General Assembly passed an act March 6, 1826, for the promotion of internal improvement, and granted a charter to the "Maryland Canal Company."[2] This company was charged with the making of a canal from some convenient

[1] *Niles' Register*, New Series, V, 164, 246, 328.
[2] "Laws of Maryland," December Session, 1825, chap. 180.

point of intersection with the Chesapeake and Ohio Canal on the Potomac to Baltimore.[1]

The surveys for the Maryland Canal were prosecuted during the season of 1826 under the efficient management of Dr. William Howard, and by November of that year the work had been pronounced practicable and a route had been selected.[2] But just as the making of canals was about to be seriously undertaken in the south there came from England a new idea in transportation destined to change completely the development, not only of the Chesapeake and Ohio Canal project, but of the economic conditions of the entire world. Baltimore was the first American city to seize and apply the results of George Stephenson's experiments with steam.

During February, 1827, several meetings in the interest of internal improvement were held in Baltimore, and the battle, canal against railroad, was fought over again and again with vehemence.[3] To speak of a convention of progressive business men called to discuss the relative advantages of canal and railroad would now provoke a smile, but it should be recalled that in 1827 the canal was an established commercial agent, while there was not a steam railroad in all America, and only one short experimental line in all the world. For more than half a century the canal had been to the commerce of that day what the railroad is to that of the present. The railroad when heavily burdened could not insure greater speed than the canal, while many believed that both in cost of construction and in operation the railroad would be totally unable to compete with the canal. Again it must be remembered that for twenty years steamboats had been a decided success, and it was but natural to think of steam as the motive-power for canal boats.[4] If

[1] "Maryland Reports," 4 Gill and Johnson, 55.

[2] *Niles' Register*, XXXI, 169.

[3] See "Proceedings of the Convention of 1827." Also, current issues of *Niles' Register*.

[4] In 1830 the Chesapeake and Ohio Canal Company was experimenting with steam as a motive power for canal boats. MS. Letter of the Secretary, February 8, 1830.

that force were used the speed of the canal would be as great as that of the railroad, while the advantages of comfort and cheapness would be all on the side of the canal.[1] Who could then foresee the modern Pullman train of parlor, dining and sleeping coaches speeding across the continent in four days while the traveler enjoys most of the comforts of a well-appointed home? Yet Baltimore seemed to foresee enough of this to make her decide in favor of the railroad and against the canal. A memorial to the General Assembly then in session at Annapolis was followed almost immediately by an act approved February 27, 1827, incorporating the Baltimore and Ohio Railroad Company. In less than two months all of the stock of the company had been subscribed. On the twenty-third of April, 1827, the company organized with Mr. Philip E. Thomas as President, and the preliminary surveys were commenced without delay.

The route selected by the engineers and adopted by the stockholders at their first annual meeting, May, 1828, proceeded by way of the Patapsco river to Point of Rocks, and thence along the north shore of the Potomac river to Harper's Ferry. On the Fourth of July, 1828, the same day that the President of the United States broke ground at the Little Falls for the Chesapeake and Ohio Canal, the venerable Charles Carroll, of Carrollton, the only survivor of the signers of the Declaration of Independence, broke ground at Baltimore for the Baltimore and Ohio Railroad. Thus were inaugurated about the same hour and scarcely more than forty miles apart two works destined by their situation to decide for the world whether the transportation of the future was to be by canal or by railroad. But it was not to be expected that so important a question would be settled either amicably or quickly. A curious fate had brought into direct opposition, not only two distinct systems of transportation, but also several distinct and conflicting interests, both public and private. Under such conditions it was probably impossible from the first to settle the issue without litigation.

[1] "Second Annual Report," 8.

CHAPTER XI.

IN THE COURTS.

On the tenth of June, 1828, the Chesapeake and Ohio Canal Company filed in the Circuit Court for Washington County, sitting as a court of chancery, a bill of complaint against the Baltimore and Ohio Railroad Company, and prayed an injunction to estop the said railroad company from locating its road between Point of Rocks and Harper's Ferry on land to which the canal company claimed prior rights.[1] At several points in the disputed section there was not space enough between the cliffs on the north shore and the channel of the Potomac river to accommodate both works. All these places the canal company claimed to have pre-empted by numerous surveys, but especially by the location and estimation of the canal by the United States Board of Internal Improvement in 1826, and again by the survey, location and estimation of Geddes and Roberts in 1827.[2]

In accordance, therefore, with the prayer of the complainants the court issued an injunction to prevent any further condemnation of land or location of the road by the railroad company. This bill the company did not answer, though that would apparently have led in a very short time to a settlement of the dispute. Instead of taking this simple way to get a decision of the question as to which of the

[1] For a copy of this bill, see "Report of Albert and Kearney on Examination of the Chesapeake and Ohio Canal from Washington City to Point of Rocks," Washington, 1831, Appendix, 145.

[2] For a careful and accurate statement of the points involved in the question of priority, see the decision of the Court of Appeals of Maryland by Buchanan, C.J., in 4 Gill and Johnson, 52, *et seq.*

enterprises had the better right to construct its work in the narrow passes of the Potomac Valley, the railroad company proceeded to file three separate bills of complaint against the canal company, June 23, 24 and 25, 1828, in the Court of Chancery at Annapolis, thus causing two separate cases about the same question to depend at the same time in two quite distinct courts.[1]

With affairs in this condition and after considerable correspondence, the president of the canal company, with counsel, visited Baltimore in November, 1828, to arrange if possible for the immediate submission of the question at issue to the Chancellor, but the contending companies could reach no agreement and on the eighth of May, 1829, the canal company answered the bills in the Court of Chancery.[2] At the September session of the Court the canal company filed a motion to dissolve the injunction but the relief was not granted.

On the eighteenth of January, 1830, the court issued a decree for a new survey of the disputed passes, in order to see if the works might be constructed jointly and thus economize space.[3] Against this survey, involving as it did a loss of time ruinous to the interests of the canal, the company protested strongly but to no purpose. Accordingly each company employed skilled engineers and the joint survey began. By the time this was completed the case was ready for trial at the September term of the Court of Chancery. The result was a decree of perpetual injunction against the Chesapeake and Ohio Canal Company. The case was immediately taken to the Court of Appeals. There the decision of the lower court was reversed; the injunction against the railroad company was continued, and the right

[1] "Second Annual Report," 9.

[2] Gill and Johnson, 62. See this answer and accompanying exhibits filed in the Land office at Annapolis, Md.

[3] Correspondence between the Chesapeake and Ohio Canal Company and the Baltimore and Ohio Railroad Company. Maryland Historical Society, copy, 27.

of the Chesapeake and Ohio Canal Company to the disputed passes fully affirmed.

It thus appears that the Chesapeake and Ohio Canal Company having overcome the greatest difficulties by dint of toil and patient waiting through many long years, was at last in a fair way to a speedy realization of hopes deferred, when progress beyond the Point of Rocks was suddenly cut off by the action of the railroad company within little more than a month after ground was broken. Four years were then to elapse before a right which had not before seemed questionable could be legally established in the face of the bitterest opposition. By 1832 the canal should have been completed to Cumberland. "We shall in the next year reach the mouth of the Shenandoah, in three years from the stroke which the President first struck for us, Cumberland," wrote Mr. Mercer in November, 1828.[1] But no such thing happened. Instead the next three years witnessed not only the controversy with the railroad company, but also a complete change of center of gravity in the financial support for the canal company. Just as the relative advantages of canal and railroad had been debated in Baltimore in 1827, so the same question was discussed in Congress early in 1830, with the result that all hope of further support from the Federal Government, at least for the time being, had to be abandoned by the canal company. It is true that Congress did not at this session aid either of the contending companies. It was rather determined to wait until experience should determine whether canal or railroad would best supply the necessities of the community.[2]

Meanwhile not only had the Federal Administration changed, but also the party controlling the popular branch of the national legislature. The "American System" had been pushed too far. With Jackson's election had come a

[1] MS. Letter, November 18, 1828.

[2] Letter of Mr. Mercer to Mr. Andrew Stewart, of Pittsburg, May 14, 1830.

reaction. Jackson opposed the construction of internal improvements by the Federal Government, and since the whole project had been founded upon federal support the withdrawal of that support caused the original project of the Chesapeake and Ohio Canal to collapse.[1]

With the opposition of the railroad company came first delay, then disappointment and finally almost complete abandonment of the work till 1832.[2] By that time enthusiasm for the canal had somewhat cooled, improvements in the steam engine had demonstrated the superiority of the railroad, at least in many respects, and last, but not least, the canal company was bankrupt.

It seems, therefore, pretty evident that when the railroad company in 1828 had "deemed it expedient for both companies to reach the disputed ground and to regard both works as mere experiments until time should disclose their comparative advantages,"[3] the root of the whole matter was reached. It was indeed far less a question of title to a few acres of land on the north bank of the Potomac than it was a question in the problem of nineteenth century transportation. Should transportation adopt as its chief agent for the future the canal or the railroad? The Court of

---

[1] "In the existing temper the Committee on Roads and Canals, I clearly perceive that any memorial which we might present would be unfavorably regarded; and I had too little reason to hope a more favorable result from the House while the present delusion prevails in favor of the railroad." Letter of Mr. Mercer to Mr. Andrew Stewart, of Pittsburg, May 14, 1830. The "delusion" still prevails.

[2] Letter of the president of the company, February 11, 1833. It is curious that the state which had, through the railroad enterprise, dealt the Chesapeake and Ohio Canal project its death-blow, should have been the only government that ever ventured again to touch the corpse. But it cannot be too strongly insisted that what Maryland resurrected in 1832 was not the original project, but something that the originators of the Chesapeake and Ohio Canal project would scarcely have recognized.

[3] "Second Annual Report," 8.

Appeals answered in favor of the canal, but that higher court of great natural and economic forces which must ever determine the direction of material progress has answered in favor of the railroad.

Nevertheless the Chesapeake and Ohio Canal survived and the history of that survival is a checkered and interesting tale.

CHAPTER XII.

THE STRUGGLE FOR EXISTENCE.

When in the spring of 1832 the canal company found itself legally free to prosecute the work of construction, another difficulty presented itself. Bankruptcy had supervened and before work could be resumed financial support would have to be obtained from some quarter. Everything possible had already been done to induce the Federal Government to continue the support which alone had brought the project to its present dimensions, but it was apparent that all hope of further aid from that quarter must be abandoned.

One glimmering hope remained—the self-interest of the state of Maryland. In the matter of subscription to stock Virginia had never measured up to the reasonable expectations of the company, but Maryland with her western counties to develop and her metropolis to foster had always manifested a lively interest in the subject of internal improvement. Therefore it was quite as natural as necessary for the canal company to appeal to the General Assembly of Maryland for liberal support in order that the work might be completed at least to Cumberland. Until that much should be accomplished the six hundred thousand dollars already invested by the state in the canal could produce no income whatever.

Maryland naturally hesitated to undertake single-handed the completion of the canal even to Cumberland, since that would mean the making of about one hundred and forty miles of canal on a scale devised by the Federal Government to meet national requirements and expecting the support of the national treasury. When, however, it became evident

that the Federal Government had definitely and finally deserted the work, Maryland began to look about for means to make her investment productive. With things in this situation the General Assembly of Maryland in the year 1834[1] passed an act authorizing a loan of two million dollars to the Chesapeake and Ohio Canal Company.[2]

Let it not be said that there were no financial returns. From August 15, 1828, to June 1, 1831, the income from all sources on account of the canal amounted to $52,048.95. Repairs and collections had cost in the same period $15,138.85. This result would seem remarkable in view of the fact that no part of the canal was open to navigation till November, 1830, were it not remembered that tolls never ceased to be collected at the locks of the Potomac Company around the Great and the Little Falls. The canal company succeeded at the same time to the rights and the revenues of the older organization. Not only this but the twenty miles of navigation opened for a short time in the fall of 1830 and reopened in the spring of 1831 proved eminently satisfactory to the company, as may be gathered from the following quotation:

"The spectacle which has recently been presented of a single horse of moderate size and strength drawing five hundred and twelve barrels of flour in a heavy boat with apparent ease a distance of twenty-two miles through twenty-three locks in a single day, is calculated of itself to countervail the numerous theories of the utility of railroads." [3]

It soon became apparent to all that two million dollars would be totally inadequate to the completion of the canal to Cumberland and state support was again sought. "Wea-

---

[1] "Laws of Maryland," 1834, chap. 241.

[2] This act was procured through the influence of an internal improvement convention held in Baltimore in December, 1834. See "Eighth Annual Report," 3. The estimate of this convention's memorial was that $2,000,000 would be sufficient to complete the canal to Cumberland.

[3] "Third Annual Report," 32, 33.

ried with fruitless efforts to obtain the necessary funds from the United States and Virginia, finding the interest which Ohio and Pennsylvania formerly professed diverted to other and rival works, the only reliance of the company for prompt and efficient aid was upon the legislature of Maryland."[1] That aid was given by Maryland in the famous eight million dollar bill passed June 4, 1836. In accordance with the provisions of this act the canal company received three million dollars.

In spite of all this the summer of 1837 found the canal completed only to Dam No. 5, seven miles above Williamsport, and one hundred and seven miles from Georgetown. The next twenty-seven miles of the canal to Dam No. 6, Great Cacapon, were in progress, and the last fifty miles thence to Cumberland were under contract.[2] But the canal company's share of the eight million loan was issued in six per cent. bonds which proved unsalable in England and had to be converted by another legislature into five per cent. bonds. Add to this the difficulties caused by the suspension of specie payments and the panic of 1837, and there need be no surprise that the canal company was again begging the General Assembly for a further subscription to its stock. Such a subscription the session of 1838[3] granted to the amount of one million three hundred and seventy-five thousand dollars.

Among other difficulties with which the company had to reckon were the riots which occasionally broke out among the laborers on the canal. A fight between a company of Irishmen engaged on the line of the canal at Oldtown and a body of their countrymen at work on the tunnel near by, resulted in the destruction of considerable private property and was only quelled by the intervention of military force. The ring leaders were arrested and taken to Cumberland

---

[1] "Special Committee Report," July 18, 1836, 4.
[2] "Ninth Annual Report," 3. [3] Chap. 396.

for trial while others less guilty were dismissed from the works.[1]

The eleventh annual report of June 3, 1839, remarks with evident satisfaction that the receipts of tolls for the last twelve months had amounted to $42,835.80, an increase of over twelve thousand dollars. It was then expected that the canal would be completed to Cumberland in two years,[2] but at the end of that time the water-way reached no further than Dam No. 6, fifty miles below Cumberland.

By 1841 the company was again in need of aid and Maryland was herself practically bankrupt. Thus matters stood till 1844, the company's receipts being meanwhile less than its expenses. On the tenth of March was passed the famous "Act of 1844" waiving Maryland's several liens on the property and revenues of the canal and giving the company power to issue preferred bonds to the amount of one million seven hundred thousand dollars. As security for these bonds the holders received from the canal company a mortgage dated on the fifth of June, 1848. It was with the money raised on these bonds that the canal was at last completed to Cumberland, October, 1850.[3]

---

[1] "Tenth Annual Report," 12.

[2] "Eleventh Annual Report," 7.

[3] For a less summary review of the period treated in this chapter, see "Twenty-second Annual Report," which is accompanied by an outline history.

CONCLUSION.

When the canal was completed to Cumberland its great rival, the Baltimore and Ohio Railroad, was reaching out almost to the Ohio river at Wheeling. Thus the trade from the Coal Banks which had been the chief hope of the canal company, had already been more conveniently provided for by the railroad, because the coal was some twenty or thirty miles west of Cumberland and the terminus of the canal, while the railroad fairly penetrated the coal region. After a short experience the railroad found it possible to fix the rates so as to draw the coal to itself in such quantities that the revenue of the canal was little above its running expenses. No interest was paid on the "bonds of 1844" after July, 1864.[1]

Nevertheless interest in the "Old Ditch," as the canal came to be called, never completely died out, and about 1870 occurred a most curious instance of history repeating itself. The Federal Government revived the original project of 1823-24. The matter was put again in the hands of the United States Board of Internal Improvement for new surveys with a view to extending the canal westward from Cumberland to Pittsburg.[2] But the whole matter ended where it began, in minutely detailed estimates of cost and voluminous reports.

In 1877 the works of the canal were almost ruined by a freshet. The company found itself unable to repair the damages. The General Assembly, therefore, once more came to the rescue. At the session of 1878 an act was

---

[1] "73 Maryland Reports," 582.

[2] See "Annual Report upon the Improvement of the Ohio," etc. Washington, 1874. Also same for 1876.

passed again waiving the state's liens and authorizing the company to issue preferred bonds to the amount of five hundred thousand dollars. The necessary repairs were effected, but still the canal could scarcely be made to pay operating expenses. Thus matters stood when the freshet of 1889 completely wrecked the canal.

The company could do nothing to put the canal in repair, and the trustees of the bondholders under the act of 1844, therefore, filed in the Circuit Court for Washington County, sitting as a Court of Equity, a bill of complaint against the canal company and asked that receivers be appointed to operate the canal, December 31, 1889.[1]

January 15, 1890, the trustees under the act of 1878 also filed a bill against the canal company asking that receivers be appointed and that the canal be sold.

January 16, 1890, the trustees of the bondholders under the act of 1844 filed a second bill, not only against the canal company, but also against the trustees under the act of 1878.

January 29, 1890, the trustees under the act of 1878 filed their answer to this bill. January 31, 1890, the Chesapeake and Ohio Canal Company filed its answer to the same bill. On the same day the state of Maryland was admitted as a party defendant.

As a result of all these proceedings the court issued a decree March 3, 1890, appointing Robert Bridges, Richard Johnson and Joseph D. Baker receivers for the purpose of ascertaining by actual examination and estimate the condition of the canal, cost of repair, and prospects of profitable operation if repaired. The receivers reported the condition of the work in detail and were of opinion that profitable operation would be out of the question.

The court then decided to issue a decree for the sale of the canal, but before this actually came to pass the trustees

---

[1] For fuller details of these legal proceedings, see "73 Maryland Reports," 488–516, and 567–618.

under the act of 1844 asked to be subrogated to the rights of the bondholders under the act of 1878 on condition of redeeming and bringing into court the bonds of 1878. To this arrangement the state of Maryland strenuously objected. Nevertheless the decree issued by the court October 2, 1890, providing for the sale of the canal provided also that the sale should be estopped on condition that the trustees under the act of 1844 should, within sixty days from October 2, 1890, bring into court the bonds of 1878, put the canal in repair by May 1, 1891, and agree to operate it as a public water-way, open an office in Hagerstown where books showing in detail all business of the canal should be kept accessible to the court, and finally, if after four years from May 1, 1891, the revenues should not equal or exceed the expenses that the original decree for a sale should become operative, "unless the time be extended by the court for good and sufficient cause shown."

From this decree an appeal was taken, but the lower court was sustained, February 20, 1891, by the Court of Appeals of Maryland. Accordingly the trustees under the act of 1844 assumed control. At the expiration of four years the time was extended and the canal continues to be operated in the same manner to the present time.

An act was passed by the General Assembly of Maryland in 1892 authorizing the sale of the state's interest in the Chesapeake and Ohio Canal, but the matter was deferred from time to time. In 1899 several bids of a rather favorable character were received and there is some ground for expecting the sale to be effected at an early date.

For about a century and a half efforts have been put forth to secure communication by water between tide-water in the Potomac and the head of navigation on the Ohio. Such persistence deserved better results. Such heroic performances, even though attended almost uniformly with disaster, are unquestionably worthy of record upon the fair page of history.